

**THE DRAFT BUDGET OF
DR RUTH SEGOMOTSI MOMPATI DISTRICT
MUNICIPALITY**



**2016/17 TO 2018/2019
MEDIUM TERM REVENUE AND EXPENDITURE
FORECASTS**

SCHEDULE A

ANNUAL BUDGET AND SUPPORTING DOCUMENTATION OF A MUNICIPALITY

Abbreviations and Acronyms

ACIP Accelerated Community Infrastructure Programme

BSC Budget Steering Committee

CAPEX Capital Budget/Expenditure

CBD Central Business District

CFO Chief Financial Officer

CPI Consumer Price Index

DBSA Development Bank of South Africa

DoRA Division of Revenue Act

DWA Department of Water Affairs

EDTA Economic Development, Tourism and Agriculture

EE Employment Equity

EEDSM Energy Efficiency Demand Side Management

EM Executive Mayor

FBS Free basic services

GAMAP Generally Accepted Municipal Accounting Practice

GDP Gross domestic product

GFS Government Financial Statistics

GRAP General Recognised Accounting Practice

HR Human Resources

IDP Integrated Development Plan

ICT Information & Communication Technology

KPA Key Performance Area

KPI Key Performance Indicator

LED Local Economic Development

MEC Member of the Executive Committee

MFMA Municipal Finance Management Act

MIG Municipal Infrastructure Grant

MM Municipal Manager

MMC Member of Mayoral Committee

MSA Municipal Systems Act

MTEF Medium-term Expenditure Framework

MTREF Medium-term Revenue and Expenditure Framework

MWIG Municipal Water Infrastructure Grant

NGO Non-Governmental organisations

NKPIs National Key Performance Indicators

NT National Treasury

OHS Occupational Health and Safety

OP Operational Plan

OPEX Operating Budget/Expenditure

DrRSM Dr Ruth Segomotsi Mompati District Municipality

PBO Public Benefit Organisations

PMS Performance Management System

PPE Property Plant and Equipment PPP Public Private Partnership

PT Provincial Treasury

RBIG Regional Bulk Infrastructure Grant

RRAMS Rural Road Asset Management System

RHIG Rural Household Infrastructure Grant

SALGA South African Local Government Association

SDBIP Service Delivery & Budget Implementation Plan

SMME Small Micro and Medium Enterprises

WSOG Water Services Operating Grant

TABLE OF CONTENTS

PART 1 – ANNUAL BUDGET	3
1.1 MAYOR’S COMMENTS ON THE BUDGET	3
1.2 COUNCIL RESOLUTIONS	4
1.3 EXECUTIVE SUMMARY	5
1.5 OPERATING EXPENDITURE FRAMEWORK.....	10
1.6 CAPITAL EXPENDITURE.....	12
1.7 ANNUAL BUDGET TABLES.....	12
PART 2 SUPPORTING DOCUMENTATION.....	26
2.1 OVERVIEW OF THE ANNUAL BUDGET PROCESS.....	26
2.2 OVERVIEW OF ALIGNMENT OF THE ANNUAL BUDGET WITH THE IDP	27
2.3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS.....	29
2.4 OVERVIEW OF BUDGET RELATED-POLICIES.....	29
2.5 OVERVIEW OF BUDGET ASSUMPTIONS.....	30
2.6 OVERVIEW OF BUDGET FUNDING.....	31
PART 3 - APPENDICES.....	51
3.1 CAPITAL PROJECTS: ALLOCATION PER MUNICIPALITY	51
MUNICIPAL MANAGER’S QUALITY CERTIFICATE	56

Part 1 – Annual Budget

1.1 Mayor's Comments on the budget

The Executive Mayor will deliver his Budget speech together with the State of the District Address with the tabling of the final budget for approval. A copy of the speech will be included thereafter.

The draft IDP and draft SDBIP will also be approved during the Council meeting that will be held on the 26 May 2016 for approval.

This is what the Executive Mayor Cllr Tladinyane said on the Draft Budget:

The municipality is going through a difficult time as a district in as far as the economy is concerned. The decrease in the Equitable Share also affects the municipality negatively. However, we need to ensure that the equitable share is received and spent on service delivery.

This budget accommodates the issues that were raised in the previous engagements, as well as the issues that were raised by the Provincial and National Treasuries on the previous assessments of the budget. The budget also needs to address the budget related issues raised by the A/G.

Departments need to own the budget, even the junior officials need to know what is contained in the budget. It is their budget also, so that they are able to understand what the municipality can and cannot afford. Therefore all staff members need to engage with the budget and the engagements should not only be limited to Senior Management.

The BTO must also continue to consult with the departmental heads where there are changes and anticipated changes on the budget, so that there is a common understanding of where the municipality is in terms of the budget.

CE Tladinyane
Executive Mayor
Dr Ruth S. Mompoti District Municipality

1.2 Council Resolutions

During a special council meeting which was held on the 16 March 2016 at 10H00 in the Dr Ruth District Municipality, the Council adopted the following resolutions:

Resolved

- a) That the Draft Operating and Capital Budget for the MTREF 2016/17 to 2018/19 be accepted and be made public for community inputs in terms of sections 22 and 23 of the Municipal Finance Management Act, 56 of 2003.

Resolution No 78/2016

1.3 Executive Summary

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainable, economically and equitably to all communities.

The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditure on non-core and 'nice to have' items.

The publishing of the regulation on the Standard chart of Accounts (SCOA) on 22 April 2014 will have a profound effect on the business of local government. This reform is not limited to a financial reform, but a business reform as a whole. It is the largest reform since the promulgation of the Municipal Finance Management Act in 2003, and municipalities are expected to actively start with the process for the preparation of the the implementation of this reform for which the target date is 01 July 2017. The mSCOA Regulations aim to ensure a standardised and uniform reporting of financial transactions of municipalities. The following are extracts from the preamble to the regulations:-

"Section 216 of the Constitution of the Republic of South Africa, 1996, provides that national legislation must prescribe measures to ensure transparency and expenditure control in each sphere of government by introducing generally recognised accounting practice, uniform expenditure classifications and uniform treasury norms and standards." "These Regulations propose segments and a classification framework for the standard chart of accounts to be applied in local government in similar form to that implemented for national and provincial government departments. In order to enable the National Treasury to provide consolidated local government information for incorporation in national accounts, national policy and other purposes, it must obtain financial information from individual municipalities."

The regulations contain amongst others, segment and classification framework for SCOA, minimum business process and system requirements and responsibilities of municipal councils and accounting officers.

The segments classification consists of the following:

Funding segment – This segment relates to the various sources of funding available to municipalities and municipal entities for financing expenditure relating to the operation of the municipality and provides for both capital and operational spending.

Function segment - This segment provides for the classification of the transaction according to the function or service delivery objective and provides for the standardisation of functions and subfunctions across local government.

Municipal Standard Classification Segment - This segment provides for the organisational structure and functionality of an individual municipality, which is not prescribed.

Project Segment - This segment provides for the classification of capital and operating projects on the basis of whether it relates to a specific project and if so, the type of project.

Regional Indicator Segment - This segment identifies and assigns government expenditure to the lowest relevant geographical region within which the intended beneficiaries of the service or capital investment are located.

Item Segment - This segment provides for the classification of item detail in the presentation of the financial position, performance and cash flow according to the nature of the transaction either as revenue, expenditure, asset, liability or net asset.

Costing Segment - This segment provides for a classification structure for secondary cost elements with reference to departmental charges, internal billing etc. and acts as a cost collector in determining inter alia total cost of services.

National Treasury's MFMA Circulars No. 78,79 & 82, was used as guidance for the compilation of the 2016/17 MTREF. Some of the main key challenges experienced during the compilation of the 2016/17 MTREF can be summarised as follows:

- The on-going difficulties in the national and local economy;
- Ever aging water, roads, sewage and electricity infrastructure;
- Lack of revenue sources and grant dependency, Dr Ruth S Mompati District Municipality is heavily dependent on grants for funding for the municipality;
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities of the municipality;
- Wage increases for municipal staff that have exceeded headline consumer inflation in the past, as well as the need to restructure certain components for operational efficiencies;
- Lack of adequate and sufficient office space or office accommodation for the municipality
- Maintaining a positive cash flow.
- Support to local municipalities.

1.3.2 The Municipality's Budget Structure

A vote is one of the main segments of a budget. The structure is for reporting requirements and links the accounting performance both to the IDP and responsible officials. The high level budget structure for Dr Ruth S Mompoti District Municipality as included in the budget documentation is shown in the table below:

BUDGET VOTE	VOTE DESCRIPTION
Vote 1	Office of the Executive Mayor
Vote 2	Office of the Speaker
Vote 3	Office of the Municipal Manager
Vote 4	Internal Audit
Vote 5	Budget and Treasury Office
Vote 6	Corporate Services
Vote 7	Planning and Development
Vote 8	Community Services: Environmental Health
Vote 9	Community Services: Fire and Disaster Management
Vote 10	Engineering Services
Vote 11	Project Management Unit
Vote 12	Economic Dev. Tourism and Agriculture
Vote 11 and Vote 10 were merged to form one vote.	

In view of the aforementioned, the following table is a consolidated overview of the proposed 2016/17 Medium-term Revenue and Expenditure Framework:

1.4 Operating Revenue Framework

For Dr Ruth Segomotsi Mompoti District Municipality to continue improving the quality of services provided to its citizens there is a need for the municipality to generate revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of the municipality. The reality is that, the district municipality is not selling any services nor does it charge for any services to the communities, meaning that there is no revenue generated internally at all and therefore dependence of conditional grants is still very high.

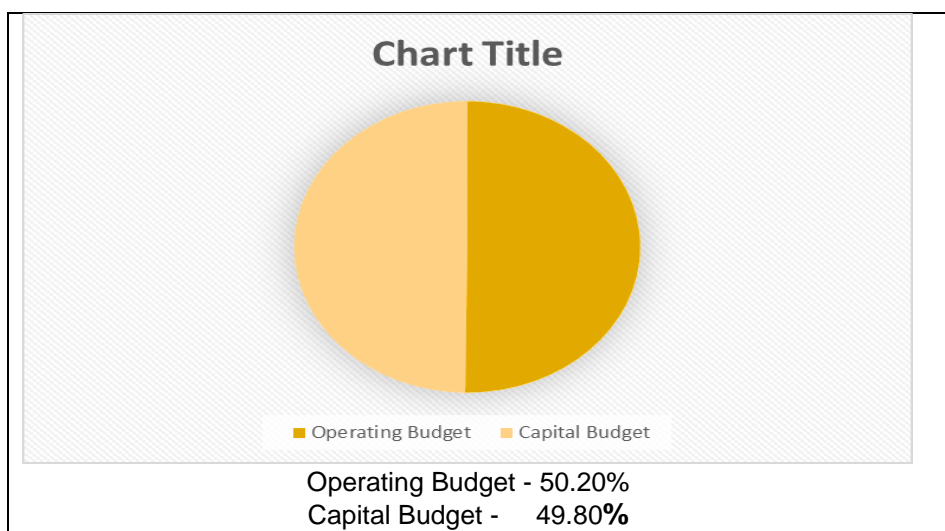
The District Municipality is faced with challenges which include amongst others, an increasing population demand for services as the populations and the demographics of the district are growing, as well as development backlogs and increasing poverty levels. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation balancing expenditures against available financial resources.

The municipality still needs to develop a revenue strategy which will be built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the Municipality and continued economic development;
- Identification of new possible revenue sources and the sustainability of such sources
- Increased pressure to deliver and maintain services and recover costs;

1.1.1 Table 1 Consolidated Overview of the 2016/2017 and the MTREF

Description	Current Year 2015/16		2016/17 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
	R'000	R'000	R'000	R'000	R'000
RENEVUE					
Operating Revenue	606 758	652 062	621 061	686 565	750 757
EXPENDITURE					
Operating Expenditure	401 386	401 386	300 949	324 080	343 815
Capital Expenditure	255 268	252 216	319 020	356 685	394 163
TOTAL EXPENDITURE	656 654	653 602	619 969	680 765	737 978
NETT BALANCE	(49 896)	(1 540)	1 091	5 800	12 779



The total revenue for the 2016/2017 as indicated in the Division of Revenue Act indicates a small percentage increase of 2%. This slight increase is as a result of the change in revenue on the Regional Bulk Infrastructure Grant (RBIG) which has been changed from an indirect grant to being a direct grant. The two outer years also include the Regional Bulk Infrastructure Grant (RBIG) from the Department of Water and Sanitation as a direct allocation.

It should be noted that the Equitable Share of R302m as per the revised DoRA of December 2015 has been reduced to R282,287m in 2016/2017. This decrease is a worrying factor given the financial limitations and the financial obligations of the municipality. There is a slight indicative increase of 9% and 8% in the Equitable Share for the two outer years of 2017/2018 and 2018/2019 respectively. The operating expenditure amounts to 50,2% of the total revenue whereas the total capital expenditure amounts to 49,8% of the total revenue.

Table 2 Revenue by Source

The following table presents the summary classification of Revenue by Source;

Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue By Source										
Property rates	-	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-	-
Service charges - other	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	465	812	666	-	-	-	-	980	1 078	1 186
Interest earned - external investments	3 781	3 544	5 025	2 950	4 547	4 547	4 547	6 175	6 331	6 737
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-	-
Transfers recognised - operational	389 742	421 593	470 008	267 173	354 397	354 397	354 397	294 836	322 403	348 599
Other revenue	530	295	128	37 215	40 902	40 902	40 902	50	69	73
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	394 518	426 243	475 826	307 338	399 846	399 846	399 846	302 041	329 880	356 594

Table 3 Operating Transfers and Grant Receipts per Grant

Description	2016/17 Medium Term Revenue & Expenditure Framework				
	Original Budget for 2015/2016	Adjustments Budget 2015/2016	Draft Budget for the year 2016/17	Draft Budget for the year 2017/18	Draft Budget for the year 2018/19
	R'000	R'000	R'000	R'000	R'000
Government grant and subsidies					
- Equitable share	260 500	302 262	282 287	311 460	336 816
- MIG Conditional Grant	136 575	136 575	134 117	145 080	153 761
- DWA Conditional Grant - RBIG	67 599	60 282	113 339	116 858	136 533
- Municipal Systems Improvement Grant	930	930	-	-	-
- Financial Management Grant	1 250	1 250	1 250	1 250	1 250
- Fire & Emergency Grant	-	-	-	-	-
- Department of Transport	2 231	2 231	2 290	2 290	2 439
- EPWP Incentive Grant	2 262	2 262	2 273	-	-
- MWIG	30 000	30 000	-	-	-
- Rural Households Infrastructure Grant	4 500	4 500	-	-	-
- DWA Conditional Grant - WSIG	9 737	9 737	77 700	100 000	111 857
- DWA Conditional Grant - ACIP	12 488	11 122	-	-	-
TOTAL GRANTS AND SUBSIDIES	528 072	561 151	613 256	676 938	742 656

1.5 Operating Expenditure Framework

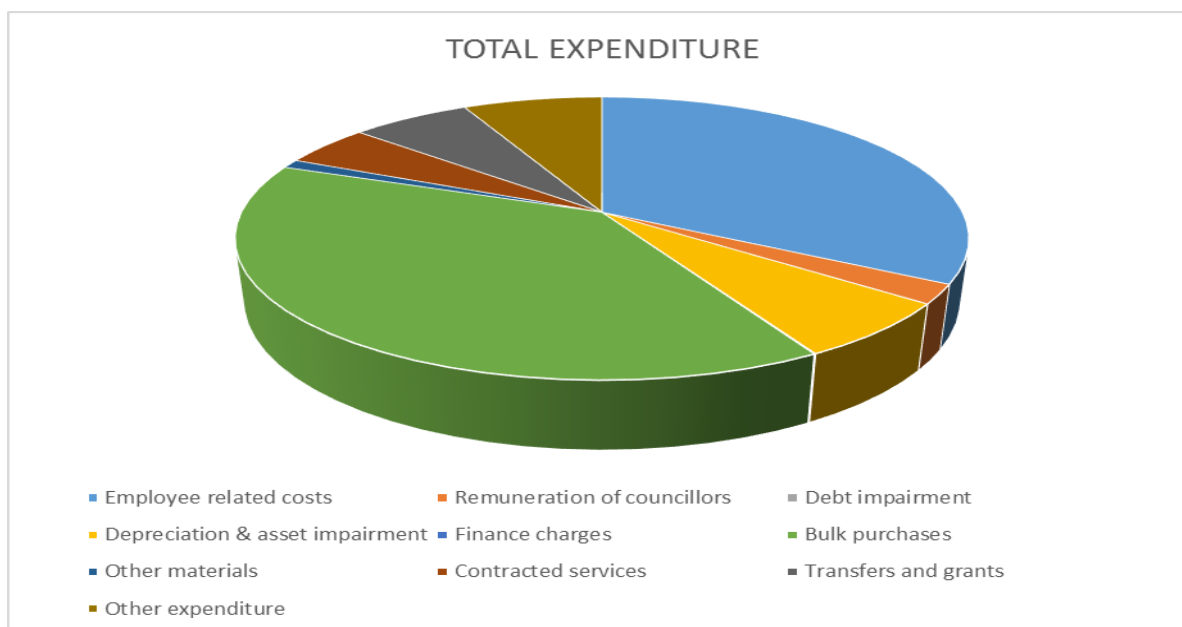
The municipality's expenditure framework for the 2016/17 budget and MTREF is informed by the following:

- Guidance provided by National Treasury in all budget circulars issued by the National Treasury and mostly on Circular 78, 79 and 82;
- Balanced budget constraint
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and core services; and

The following table is a high level summary of the 2016/17 budget and MTREF (classified per main type of operating expenditure:

Table 4 Summary Operating Expenditure by standard classification item

Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue &		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Expenditure By Type										
Employee related costs	65 056	90 026	105 304	91 853	99 964	99 964	99 964	106 096	113 429	120 845
Remuneration of councillors	5 288	5 584	5 875	6 228	6 944	6 944	6 944	7 068	7 576	8 103
Debt impairment	–	–	–	320	50	50	50	50	54	57
Depreciation & asset impairment	35 413	38 249	48 920	49 912	47 139	47 139	47 139	21 020	22 750	24 556
Finance charges	1	12 672	18 570	10 911	10 883	10 883	10 883	150	161	161
Bulk purchases	50 817	64 929	61 573	100 800	147 359	147 359	147 359	105 122	109 122	111 133
Other materials	1 735	1 515	5 377	1 199	1 806	1 806	1 806	3 169	3 292	3 375
Contracted services	70 454	100 236	18 640	14 110	16 775	16 775	16 775	14 707	15 658	16 797
Transfers and grants	72 878	55 602	42 508	40 880	41 663	41 663	41 663	20 240	27 178	32 180
Other expenditure	31 407	31 699	31 306	28 101	28 802	28 802	28 802	23 328	24 862	26 609
Loss on disposal of PPE	–	–	–	–	–	–	–	–	–	–
Total Expenditure	333 049	400 510	338 074	344 315	401 386	401 386	401 386	300 949	324 080	343 815



Employee related costs are provided for within the threshold set by the National Treasury of a maximum of 35 – 40%. There has been a challenge of providing sufficiently for personnel costs as only critical and vacant positions could be provided for. Not all vacant posts could be budgeted for. The organizational structure has been reviewed and approved by Council on the 27 August 2015. The total cost of the newly approved structure is estimated at R119m, however, only those filled and budgeted critical positions are included in this budget. The actual cost of increases for the 2016/2017 is based on an incremental percentage based on the budget circular.

The cost associated with the remuneration of Councillors is determined by the Minister of Cooperative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The proclamation with regard to the 2016/2017 increases has not been published to date. For draft budgeting purposes, the same increase of 7,1 per cent, as for other employees has been factored into the budget.

Depreciation is widely considered a proxy for the measurement of the rate of asset consumption. Budget appropriations in this regard total R21,020m for the 2016/17 financial year and equates to 7 per cent of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register which brings the total asset value of the municipality to R1,8 billion as audited in June 2015 which means that for the municipality to sufficiently provide for the depreciation, an amount of at least R60m should be included in the budget. However, sufficient provision for depreciation is totally unaffordable due to the lack of sufficient financial resources and is not necessarily in line with the Asset Management Policy of the municipality.

Bulk purchases address the bulk water and bulk sanitation services which the District Municipality is providing through the entire district. The municipality is the Water Services Provider and contracted Sedibeng Water Board to provide the service on their behalf on some of its areas. A portion of the budgeted amount on the bulk purchases goes to address the old accounts between the district municipality

and the water board are directly informed by the purchase water from the water service providers. There has been a difficulty in providing sufficiently for bulk water as due to limited financial resources. The municipality was also instructed by the Minister of Water and Sanitation to take over the Bloemhof Sewer Plant which was initially not in the financial plans of the municipality, and this directive was not followed by the financial resources to support it. The municipality could only provide R102m instead of a total estimate of R160m for the total districtwide service.

Other expenditure comprises of various line items relating to the daily operations of the municipality. The following diagram is a graphical demonstration of how the revenue is divided to cover the expenses of the municipality.

1.6 Capital Expenditure

The following table provides a breakdown of budgeted capital expenditure by vote:

Table 5 2016/17 Medium-term capital budget per vote

DC39 Dr Ruth Segomotsi Mompati - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description R thousand	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Capital expenditure - Municipal Vote										
Vote 1 - EXECUTIVE SUPPORT	130	158	–	100	550	550	550	–	–	–
Vote 2 - SPEAKER'S OFFICE	–	607	–	50	30	30	30	–	–	–
Vote 3 - MUNICIPAL MANAGER	17	48	–	50	50	50	50	–	–	–
Vote 4 - INTERNAL AUDIT	51	39	–	50	60	60	60	–	–	–
Vote 5 - BUDGET AND TREASURY OFFICE	98	90	23	200	100	100	100	–	–	–
Vote 6 - CORPORATE SERVICES	1 430	759	796	850	600	600	600	–	–	–
Vote 7 - PLANNING AND DEVELOPMENT	39	27	–	60	50	50	50	–	–	–
Vote 8 - ENVIRONMENTAL HEALTH	30	51	–	2 220	1 530	1 530	1 530	–	–	–
Vote 9 - FIRE AND DISASTER MANAGEMENT	508	86	731	85	50	50	50	–	–	–
Vote 10 - ENGINEERING SERVICES	120 463	95 612	195 312	260 999	252 216	252 216	252 216	319 020	354 938	394 351
Vote 11 - PROJECT MANAGEMENT UNIT	–	–	–	–	–	–	–	–	–	–
Vote 12 - EDTA	50	85	83	200	50	50	50	–	–	–
Total Capital Expenditure	122 815	97 560	196 945	264 864	255 286	255 286	255 286	319 020	354 938	394 351

For 2016/17 an amount of R319million has been appropriated for the development of infrastructure which represents 49.2 per cent of the total revenue. This amount is grant will be allocated for grant funded projects relating to water and sanitation infrastructure.

1.7 Annual Budget Tables

The following pages present the nine main budget tables (Table A1- A9) as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2016/17 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes (Narration)*.

1.7.1 Table 6 MBRR Table A1 - Budget Summary

DC39 Dr Ruth Segomotsi Mompoti - Table A1 Budget Summary

Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousands										
Financial Performance										
Property rates	–	–	–	–	–	–	–	–	–	–
Service charges	–	–	–	–	–	–	–	–	–	–
Investment revenue	3 781	3 544	5 025	2 950	4 547	4 547	4 547	6 175	6 331	6 737
Transfers recognised - operational	389 742	421 593	470 008	267 173	354 397	354 397	354 397	294 836	322 403	348 599
Other own revenue	995	1 106	794	37 215	40 902	40 902	40 902	1 030	1 147	1 258
Total Revenue (excluding capital transfers and contributions)	394 518	426 243	475 826	307 338	399 846	399 846	399 846	302 041	329 880	356 594
Employee costs	65 056	90 026	105 304	91 853	99 964	99 964	99 964	106 096	113 429	120 845
Remuneration of councillors	5 288	5 584	5 875	6 228	6 944	6 944	6 944	7 068	7 576	8 103
Depreciation & asset impairment	35 413	38 249	48 920	49 912	47 139	47 139	47 139	21 020	22 750	24 556
Finance charges	1	12 672	18 570	10 911	10 883	10 883	10 883	150	161	161
Materials and bulk purchases	52 552	66 443	66 951	101 999	149 165	149 165	149 165	108 291	112 414	114 508
Transfers and grants	72 878	55 602	42 508	40 880	41 663	41 663	41 663	20 240	27 178	32 180
Other expenditure	101 861	131 935	49 946	42 532	45 628	45 628	45 628	38 085	40 573	43 464
Total Expenditure	333 049	400 510	338 074	344 315	401 386	401 386	401 386	300 949	324 080	343 815
Surplus/(Deficit)	61 469	25 733	137 752	(36 977)	(1 540)	(1 540)	(1 540)	1 091	5 800	12 779
Transfers recognised - capital	–	–	–	260 899	252 216	252 216	252 216	319 020	356 685	394 163
Contributions recognised - capital & contributed a	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	61 469	25 733	137 752	223 922	250 676	250 676	250 676	320 111	362 485	406 942
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	61 469	25 733	137 752	223 922	250 676	250 676	250 676	320 111	362 485	406 942
Capital expenditure & funds sources										
Capital expenditure	91 841	131 586	196 945	264 664	255 286	255 286	255 286	325 756	363 939	401 851
Transfers recognised - capital	91 842	131 671	196 945	264 864	255 286	255 286	255 286	325 756	363 939	401 851
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	–	–	–	–	–	–	–	–	–	–
Total sources of capital funds	91 842	131 671	196 945	264 864	255 286	255 286	255 286	325 756	363 939	401 851
Financial position										
Total current assets	138 561	105 514	133 188	223 057	108 470	108 470	108 470	115 528	123 327	131 459
Total non current assets	1 683 085	1 775 998	1 799 035	2 207 019	1 883 271	1 883 271	1 883 271	1 883 577	1 883 909	1 884 245
Total current liabilities	142 047	155 299	149 531	412 303	67 955	67 955	67 955	71 603	76 651	81 707
Total non current liabilities	18 661	25 479	150 966	30 330	30 329	30 329	30 329	30 979	32 270	33 100
Community wealth/Equity	1 660 939	1 700 735	1 631 726	1 987 444	1 893 457	1 893 457	1 893 457	1 896 523	1 898 316	1 900 898
Cash flows										
Net cash from (used) operating	156 756	109 357	193 879	222 065	250 593	250 593	209 741	298 987	362 606	407 062
Net cash from (used) investing	(122 815)	(132 025)	(196 953)	(264 864)	(255 640)	(255 640)	(255 640)	(325 756)	(363 939)	(401 851)
Net cash from (used) financing	–	–	(1 200)	–	(7 200)	(7 200)	(7 200)	(10 800)	(10 800)	(10 800)
Cash/cash equivalents at the year end	80 660	57 992	53 722	15 193	41 474	41 474	623	16 153	4 020	(1 569)
Cash backing/surplus reconciliation										
Cash and investments available	80 660	57 991	53 722	116 992	72 193	72 193	72 193	76 929	82 259	87 922
Application of cash and investments	124 424	145 385	141 927	37 390	59 563	59 563	59 999	59 535	64 507	69 479
Balance - surplus (shortfall)	(43 764)	(87 394)	(88 205)	79 602	12 630	12 630	12 194	17 394	17 752	18 443
Asset management										
Asset register summary (WDV)	1 683 085	1 775 998	1 800 668	1 878 399	1 878 399	1 878 399	1 878 611	1 878 611	1 878 937	1 879 268
Depreciation & asset impairment	35 413	38 249	48 920	49 912	47 139	47 139	21 020	21 020	22 750	24 556
Renewal of Existing Assets	–	–	–	–	–	–	–	–	–	–
Repairs and Maintenance	1 735	1 339	5 377	1 570	1 729	1 729	3 169	3 169	3 292	3 375
Free services										
Cost of Free Basic Services provided	–	–	–	–	–	–	–	–	–	–
Revenue cost of free services provided	–	–	–	–	–	–	–	–	–	–
Households below minimum service level										
Water:	–	–	–	–	–	–	–	–	–	–
Sanitation/sew erage:	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–	–

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasizes the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
 - b. Capital expenditure is balanced by capital funding sources, of which
 - i. Transfers recognised is reflected on the Financial Performance Budget;
 - ii. No provision for any borrowing is incorporated in the net cash from financing on the Cash Flow Budget as the municipality anticipates not borrowing over the MTREF;
 - iii. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. The Cash backing/surplus reconciliation shows that over the MTREF there is significant decline in cash levels. It is anticipated that the goal of having all obligations cash-back will be achieved by 2014/15, when a small surplus is reflected.

1.7.2 Table 7 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

DC39 Dr Ruth Segomotsi Mompoti - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1									
Revenue - Standard										
<i>Governance and administration</i>		63 847	79 948	76 644	88 244	91 558	91 558	88 286	94 482	101 000
Executive and council		20 859	25 324	25 852	26 993	27 867	27 867	28 164	30 082	32 187
Budget and treasury office		14 757	14 841	16 606	23 281	22 206	22 206	21 078	22 600	24 078
Corporate services		28 232	39 782	34 185	37 970	41 485	41 485	39 044	41 801	44 735
<i>Community and public safety</i>		35 994	36 244	40 067	32 798	34 410	34 410	31 645	33 860	36 231
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		28 494	28 558	32 071	20 018	21 433	21 433	20 017	21 418	22 917
Housing		-	-	-	-	-	-	-	-	-
Health		7 500	7 686	7 997	12 779	12 976	12 976	11 628	12 442	13 313
<i>Economic and environmental services</i>		4 610	4 566	4 725	4 842	4 004	4 004	3 912	4 433	4 745
Planning and development		4 610	4 566	4 725	4 842	4 004	4 004	3 912	4 433	4 745
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		270 053	288 981	341 132	424 995	460 469	460 469	162 778	180 585	196 919
Electricity		-	-	-	-	-	-	-	-	-
Water		270 053	288 981	341 132	424 995	460 469	460 469	162 778	180 585	196 919
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	20 014	16 504	13 258	17 358	16 318	16 318	15 240	16 307	17 448
Total Revenue - Standard	2	394 518	426 243	475 826	568 237	606 758	606 758	301 861	329 667	356 343
Expenditure - Standard										
<i>Governance and administration</i>		67 994	81 657	88 160	86 874	90 778	90 778	88 286	94 482	101 000
Executive and council		19 235	24 301	26 182	26 823	27 747	27 747	28 164	30 082	32 187
Budget and treasury office		14 912	16 431	16 513	23 081	22 206	22 206	21 078	22 600	24 078
Corporate services		33 846	40 924	45 466	36 970	40 825	40 825	39 044	41 800	44 734
<i>Community and public safety</i>		34 491	40 743	41 278	30 473	34 310	34 310	31 645	33 860	36 231
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		27 978	31 827	30 417	19 913	21 383	21 383	20 017	21 418	22 917
Housing		-	-	-	-	-	-	-	-	-
Health		6 513	8 916	10 861	10 559	12 926	12 926	11 628	12 442	13 313
<i>Economic and environmental services</i>		4 219	3 715	3 608	4 782	3 954	3 954	3 912	4 433	4 745
Planning and development		4 219	3 715	3 608	4 782	3 954	3 954	3 912	4 433	4 745
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		212 643	260 122	192 612	206 996	256 127	256 127	161 867	174 998	184 392
Electricity		-	-	-	-	-	-	-	-	-
Water		212 643	260 122	192 612	206 996	256 127	256 127	161 867	174 998	184 392
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	13 702	14 273	12 417	15 190	16 218	16 218	15 240	16 307	17 448
Total Expenditure - Standard	3	333 049	400 510	338 074	344 315	401 386	401 386	300 949	324 080	343 815
Surplus/(Deficit) for the year		61 469	25 733	137 752	223 922	205 372	205 372	912	5 587	12 528

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

- Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
- Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4.

1.7.3 Table 8 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

DC39 Dr Ruth Segomotsi Mompati - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Budgeted Financial Performance (Revenue and Expenditure by Municipal Vote)										
Vote Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited	Audited	Audited	Original	Adjusted	Full Year	Budget Year	Budget Year	Budget Year
		Outcome	Outcome	Outcome	Budget	Budget	Forecast	2016/17	+1 2017/18	+2 2018/19
R thousand										
Revenue by Vote	1									
Vote 1 - EXECUTIVE SUPPORT		13 400	17 681	17 900	18 673	19 255	19 255	18 579	19 826	21 213
Vote 2 - SPEAKER'S OFFICE		4 110	4 212	4 382	4 877	5 323	5 323	4 971	5 319	5 692
Vote 3 - MUNICIPAL MANAGER		3 348	3 431	3 570	3 443	3 289	3 289	4 614	4 937	5 282
Vote 4 - INTERNAL AUDIT		8 976	9 198	11 066	10 667	11 287	11 287	11 696	12 515	13 391
Vote 5 - BUDGET AND TREASURY OFFICE		14 757	14 841	16 606	23 281	22 206	22 206	21 078	22 600	24 078
Vote 6 - CORPORATE SERVICES		19 256	30 584	23 119	27 303	30 198	30 198	27 348	29 286	31 343
Vote 7 - PLANNING AND DEVELOPOMENT		4 610	4 566	4 725	4 842	4 004	4 004	3 912	4 433	4 745
Vote 8 - ENVIRONMENTAL HEALTH		7 500	7 686	7 997	12 779	12 976	12 976	11 628	12 442	13 313
Vote 9 - FIRE AND DISASTER MANAGEMENT		28 494	28 558	32 071	20 018	21 433	21 433	20 017	21 418	22 917
Vote 10 - ENGINEERING SERVICES		181 842	287 828	340 615	424 995	460 469	460 469	156 043	173 331	189 231
Vote 11 - PROJECT MANAGEMENT UNIT		88 211	1 154	517	-	-	-	6 736	7 254	7 688
Vote 12 - ECONOMIC DEVELOPMENT, TOURISM AND ARTS		20 014	16 504	13 258	17 358	16 318	16 318	15 240	16 307	17 448
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	394 518	426 243	475 826	568 237	606 758	606 758	301 861	329 667	356 343
Expenditure by Vote to be appropriated	1									
Vote 1 - EXECUTIVE SUPPORT		13 796	17 392	18 297	18 573	19 205	19 205	18 579	19 826	21 213
Vote 2 - SPEAKER'S OFFICE		3 469	3 503	4 398	4 857	5 303	5 303	4 971	5 319	5 692
Vote 3 - MUNICIPAL MANAGER		1 971	3 406	3 487	3 393	3 239	3 239	4 614	4 937	5 282
Vote 4 - INTERNAL AUDIT		8 116	9 183	9 810	10 617	11 227	11 227	11 696	12 515	13 391
Vote 5 - BUDGET AND TREASURY OFFICE		14 912	16 431	16 513	23 081	22 206	22 206	21 078	22 600	24 078
Vote 6 - CORPORATE SERVICES		25 731	31 740	35 656	26 353	29 598	29 598	27 348	29 285	31 343
Vote 7 - PLANNING AND DEVELOPOMENT		4 219	3 715	3 608	4 782	3 954	3 954	3 912	4 433	4 745
Vote 8 - ENVIRONMENTAL HEALTH		6 513	8 916	10 861	10 559	12 926	12 926	11 628	12 442	13 313
Vote 9 - FIRE AND DISASTER MANAGEMENT		27 978	31 827	30 417	19 913	21 383	21 383	20 017	21 418	22 917
Vote 10 - ENGINEERING SERVICES		148 570	283 408	192 397	206 996	256 127	256 127	155 131	167 744	176 704
Vote 11 - PROJECT MANAGEMENT UNIT		64 073	(23 286)	215	-	-	-	6 736	7 254	7 688
Vote 12 - ECONOMIC DEVELOPMENT, TOURISM AND ARTS		13 702	14 273	12 417	15 190	16 218	16 218	15 240	16 307	17 448
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	333 049	400 510	338 074	344 315	401 386	401 386	300 949	324 080	343 815
Surplus/(Deficit) for the year	2	61 469	25 733	137 752	223 922	205 372	205 372	912	5 587	12 527

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

- Table A3 above, is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the municipality. This means that, it is possible to present a deficit or a surplus in a municipal vote.

1.7.4 Table 9 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

DC39 Dr Ruth Segomotsi Mompati - Table A4 Budgeted Financial Performance (revenue and expenditure)										
Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue By Source										
Property rates	-	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-	-
Service charges - other	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	465	812	666	-	-	-	-	980	1 078	1 186
Interest earned - external investments	3 781	3 544	5 025	2 950	4 547	4 547	4 547	6 175	6 331	6 737
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-	-
Transfers recognised - operational	389 742	421 593	470 008	267 173	354 397	354 397	354 397	294 836	322 403	348 599
Other revenue	530	295	128	37 215	40 902	40 902	40 902	50	69	73
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	394 518	426 243	475 826	307 338	399 846	399 846	399 846	302 041	329 880	356 594
Expenditure By Type										
Employee related costs	65 056	90 026	105 304	91 853	99 964	99 964	99 964	106 096	113 429	120 845
Remuneration of councillors	5 288	5 584	5 875	6 228	6 944	6 944	6 944	7 068	7 576	8 103
Debt impairment	-	-	-	320	50	50	50	50	54	57
Depreciation & asset impairment	35 413	38 249	48 920	49 912	47 139	47 139	47 139	21 020	22 750	24 556
Finance charges	1	12 672	18 570	10 911	10 883	10 883	10 883	150	161	161
Bulk purchases	50 817	64 929	61 573	100 800	147 359	147 359	147 359	105 122	109 122	111 133
Other materials	1 735	1 515	5 377	1 199	1 806	1 806	1 806	3 169	3 292	3 375
Contracted services	70 454	100 236	18 640	14 110	16 775	16 775	16 775	14 707	15 658	16 797
Transfers and grants	72 878	55 602	42 508	40 880	41 663	41 663	41 663	20 240	27 178	32 180
Other expenditure	31 407	31 699	31 306	28 101	28 802	28 802	28 802	23 328	24 862	26 609
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-	-
Total Expenditure	333 049	400 510	338 074	344 315	401 386	401 386	401 386	300 949	324 080	343 815
Surplus/(Deficit)	61 469	25 733	137 752	(36 977)	(1 540)	(1 540)	(1 540)	1 091	5 800	12 779
Transfers recognised - capital	-	-	-	260 899	252 216	252 216	252 216	319 020	356 685	394 163
Contributions recognised - capital	-	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	61 469	25 733	137 752	223 922	250 676	250 676	250 676	320 111	362 485	406 942
Taxation	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	61 469	25 733	137 752	223 922	250 676	250 676	250 676	320 111	362 485	406 942
Attributable to minorities	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	61 469	25 733	137 752	223 922	250 676	250 676	250 676	320 111	362 485	406 942
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	61 469	25 733	137 752	223 922	250 676	250 676	250 676	320 111	362 485	406 942

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. Total operating revenue for 2016/2017 is allocated at R302, 041m and a projected increase to R329, 880m for the 2017/2018, a further increase to R356, 594m the 2018/2019 projected operating

revenue to R314, 020 m .This indicates an inconsistent movement in the operating revenue from year to year, the two outer years are just estimated projections and these may change depending on the revised Division of Revenue Act of those relevant financial years.

1.7.5 Table 10 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

DC39 Dr Ruth Segomotsi Mompoti - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description R thousand	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Capital expenditure - Vote										
Single-year expenditure to be appropriated										
Vote 1 - EXECUTIVE SUPPORT	130	158	–	100	550	550	550	–	–	–
Vote 2 - SPEAKER'S OFFICE	–	607	–	50	30	30	30	–	–	–
Vote 3 - MUNICIPAL MANAGER	17	48	–	50	50	50	50	–	–	–
Vote 4 - INTERNAL AUDIT	51	39	–	50	60	60	60	–	–	–
Vote 5 - BUDGET AND TREASURY OFFICE	98	90	23	200	100	100	100	–	–	–
Vote 6 - CORPORATE SERVICES	1 430	759	796	850	600	600	600	–	–	–
Vote 7 - PLANNING AND DEVELOPMENT	39	27	–	60	50	50	50	–	–	–
Vote 8 - ENVIRONMENTAL HEALTH	30	51	–	2 220	1 530	1 530	1 530	–	–	–
Vote 9 - FIRE AND DISASTER MANAGEMENT	508	86	731	85	50	50	50	–	–	–
Vote 10 - ENGINEERING SERVICES	120 463	95 612	195 312	260 999	252 216	252 216	252 216	319 020	354 938	394 351
Vote 11 - PROJECT MANAGEMENT UNIT	–	–	–	–	–	–	–	–	–	–
Vote 12 - ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE	50	85	83	200	50	50	50	–	–	–
Capital single-year expenditure sub-total	122 815	97 560	196 945	264 864	255 286	255 286	255 286	319 020	354 938	394 351
Total Capital Expenditure - Vote	122 815	97 560	196 945	264 864	255 286	255 286	255 286	319 020	354 938	394 351

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

- Table A5 is a breakdown of the capital budget estimates in relation to capital expenditure by municipal vote. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations, however, only single year projections are appropriated on this table. The capital expenditure is here presented by vote, standard classification as well as the relevant funding sources that will fund it.
- The capital expenditure presented in table A5 is 50.20 % of the total revenue. This does not mean that the service delivery requirements are limited or measured at that percentage. However, this percentage is the only amount that could be affordable at this stage given the economic conditions and the available resources. The capital budget is fully grant funded.
- Single-year capital expenditure has been appropriated at R319, 020 million for the 2016/17 financial year and remains relatively constant over the MTREF at levels of R354, 938 million and R394, 351 million respectively for the two outer years.
- Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year. The budget appropriations for the two outer years are indicative allocations based on the departmental estimates as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.

5. The capital programme is funded from grants and transfers, and small portion of the operating revenue.

1.7.6 Table 11 MBRR Table A6 - Budgeted Financial Position

DC39 Dr Ruth Segomotsi Mompati - Table A6 Budgeted Financial Position										
Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
ASSETS										
Current assets										
Cash	43 272	38 742	3 542	57 992	9 063	9 063	9 063	9 064	9 644	10 224
Call investment deposits	37 388	19 250	50 180	59 000	63 130	63 130	63 130	67 865	72 615	77 698
Consumer debtors	28 561	9 448	11 599	69 788	–	–	–	–	–	–
Other debtors	–	59	–	437	437	437	437	465	493	521
Current portion of long-term receivables	28 980	37 654	67 868	35 840	35 840	35 840	35 840	38 134	40 575	43 016
Inventory	361	361	–	–	–	–	–	–	–	–
Total current assets	138 561	105 514	133 188	223 057	108 470	108 470	108 470	115 528	123 327	131 459
Non current assets										
Long-term receivables	–	–	–	–	–	–	–	–	–	–
Investments	–	–	–	–	–	–	–	–	–	–
Investment property	3 326	3 813	3 800	3 709	3 813	3 813	3 813	3 826	4 071	4 316
Investment in Associate	–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	1 679 059	1 771 485	1 794 176	2 202 610	1 878 399	1 878 399	1 878 399	1 878 493	1 878 499	1 878 505
Agricultural	–	–	–	–	–	–	–	–	–	–
Biological	–	–	–	–	–	–	–	–	–	–
Intangible	700	700	1 059	700	1 059	1 059	1 059	1 258	1 339	1 425
Other non-current assets	–	–	–	–	–	–	–	–	–	–
Total non current assets	1 683 085	1 775 998	1 799 035	2 207 019	1 883 271	1 883 271	1 883 271	1 883 577	1 883 909	1 884 245
TOTAL ASSETS	1 821 646	1 881 513	1 932 224	2 430 076	1 991 741	1 991 741	1 991 741	1 999 105	2 007 236	2 015 705
LIABILITIES										
Current liabilities										
Bank overdraft	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	7 200	–	7 200	7 200	7 200	10 800	10 800	10 800
Consumer deposits	404	404	404	451	451	451	451	480	509	509
Trade and other payables	141 643	154 894	141 927	107 615	60 000	60 000	60 000	60 000	65 000	70 000
Provisions	–	–	–	304 237	304	304	304	323	342	398
Total current liabilities	142 047	155 299	149 531	412 303	67 955	67 955	67 955	71 603	76 651	81 707
Non current liabilities										
Borrowing	–	–	115 408	–	–	–	–	–	–	–
Provisions	18 661	25 479	35 558	30 330	30 329	30 329	30 329	30 979	32 270	33 100
Total non current liabilities	18 661	25 479	150 966	30 330	30 329	30 329	30 329	30 979	32 270	33 100
TOTAL LIABILITIES	160 708	180 778	300 497	442 633	98 284	98 284	98 284	102 582	108 921	114 807
NET ASSETS	1 660 939	1 700 735	1 631 726	1 987 444	1 893 457	1 893 457	1 893 457	1 896 523	1 898 316	1 900 898
COMMUNITY WEALTH/EQUITY										
Accumulated Surplus/(Deficit)	1 653 493	1 693 009	1 624 001	1 979 141	1 885 731	1 885 731	1 885 731	1 888 304	1 889 570	1 891 942
Reserves	7 446	7 726	7 726	8 303	7 726	7 726	7 726	8 220	8 746	8 956
TOTAL COMMUNITY WEALTH/EQUITY	1 660 939	1 700 735	1 631 726	1 987 444	1 893 457	1 893 457	1 893 457	1 896 523	1 898 316	1 900 898

Explanatory notes to Table A6 - Budgeted Financial Position

1. MBRR Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting”. The order of items within each group illustrates items in the order of liquidity.
3. MBRR Table A6 contains mainly the following items:
 - Consumer debtors - The district municipality does not have any consumer base and therefore there are not consumer debtors. However, the debtors reflected in table A6 is mainly the Department of Water Affairs (DWA) and other sundry debtors.
 - Property, plant and equipment;
 - Trade and other payables;
 - Provisions noncurrent;
 - Changes in net assets, and
 - Reserves
4. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitable impact on the Budgeted Financial Position. Therefore any budget assumptions are critical as they form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition, the funding compliance assessment is informed by directly forecasting the statement of financial position.
5. Reserves as presented in the above table are not cash backed. These are indicative amounts by which the movements in assets occurred. The Accumulated surplus is just an accounting figure used to calculate the value of the municipality in line with GRAP 1, it does not have any financial backing attached, therefore there are no monetary cash amounting to the value attached to the accumulated surplus.

1.7.7 Table 10 MBRR Table A7 - Budgeted Cash Flow Statement

DC39 Dr Ruth Segomotsi Mompoti - Table A7 Budgeted Cash Flows										
Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates, penalties & collection charges	-	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-	-
Other revenue	600	1 106	-	37 215	40 902	40 902	50	1 030	1 147	1 258
Government - operating	240 746	230 806	550 755	267 173	354 397	354 397	354 397	294 836	322 403	348 599
Government - capital	149 391	200 733	-	260 999	252 216	252 216	252 216	319 020	356 685	394 163
Interest	3 781	3 645	5 025	2 950	4 547	4 547	4 547	6 175	6 331	6 737
Dividends	-	-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees	(164 887)	(270 595)	(300 822)	(302 502)	(359 723)	(359 723)	(359 723)	(301 683)	(296 621)	(311 355)
Finance charges	-	-	(18 570)	(320)	(83)	(83)	(83)	(150)	(161)	(161)
Transfers and Grants	(72 875)	(56 337)	(42 508)	(43 450)	(41 663)	(41 663)	(41 663)	(20 240)	(27 178)	(32 180)
NET CASH FROM/(USED) OPERATING ACTIVITIES	156 756	109 357	193 879	222 065	250 593	250 593	209 741	298 987	362 606	407 062
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE	-	(354)	-	-	(354)	(354)	(354)	-	-	-
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	(8)	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-
Payments										
Capital assets	(122 815)	(131 671)	(196 945)	(264 864)	(255 286)	(255 286)	(255 286)	(325 756)	(363 939)	(401 851)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(122 815)	(132 025)	(196 953)	(264 864)	(255 640)	(255 640)	(255 640)	(325 756)	(363 939)	(401 851)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-
Payments										
Repayment of borrowing	-	-	(1 200)	-	(7 200)	(7 200)	(7 200)	(10 800)	(10 800)	(10 800)
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	-	(1 200)	-	(7 200)	(7 200)	(7 200)	(10 800)	(10 800)	(10 800)
NET INCREASE/ (DECREASE) IN CASH HELD	33 941	(22 668)	(4 274)	(42 799)	(12 248)	(12 248)	(53 099)	(37 569)	(12 133)	(5 589)
Cash/cash equivalents at the year begin:	46 719	80 660	57 996	57 992	53 722	53 722	53 722	53 722	16 153	4 020
Cash/cash equivalents at the year end:	80 660	57 992	53 722	15 193	41 474	41 474	623	16 153	4 020	(1 569)

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. It can be seen that the cash levels of the municipality remain positive over the MTREF period though highly declining as compared to the prior years. The municipality is encountering a serious cash flow problem, which is also evident in the 2016/2017 budget.
4. The 2016/17 MTREF provide for a further break even in cash and cash equivalents for the year and for the two outer years. This means that it is projected that the municipality will have no cash available at the end of the financial years.

1.7.8 Table 11 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

DC39 Dr Ruth Segomotsi Mompoti - Table A8 Cash backed reserves/accumulated surplus reconciliation										
Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Cash and investments available										
Cash/cash equivalents at the year end	80 660	57 992	53 722	15 193	41 474	41 474	623	16 153	4 020	(1 569)
Other current investments > 90 days	(0)	(1)	-	101 799	30 719	30 719	71 571	60 776	78 239	89 491
Non current assets - Investments	-	-	-	-	-	-	-	-	-	-
Cash and investments available:	80 660	57 991	53 722	116 992	72 193	72 193	72 193	76 929	82 259	87 922
Application of cash and investments										
Unspent conditional transfers	106 858	69 940	42 683	47 615	-	-	-	-	-	-
Unspent borrowing	-	-	-	-	-	-	-	-	-	-
Statutory requirements	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	17 566	75 445	99 244	(10 225)	59 563	59 563	59 999	59 535	64 507	69 479
Other provisions	-	-	-	-	-	-	-	-	-	-
Long term investments committed	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investme	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investme	124 424	145 385	141 927	37 390	59 563	59 563	59 999	59 535	64 507	69 479
Surplus(shortfall)	(43 764)	(87 394)	(88 205)	79 602	12 630	12 630	12 194	17 394	17 752	18 443

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
5. Considering the requirements of section 18 of the MFMA, it can be concluded that the draft 2016/2017 Budget and MTREF is funded.

1.7.9 Table 12 MBRR Table A9 - Asset Management

DC39 Dr Ruth Segomotsi Mompati - Table A9 Asset Management									
Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue &		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
CAPITAL EXPENDITURE									
Total New Assets	122 815	227 282	195 312	264 864	252 216	252 216	325 756	363 939	401 851
Infrastructure - Road transport	–	–	–	–	–	–	–	–	–
Infrastructure - Electricity	–	–	–	–	–	–	–	–	–
Infrastructure - Water	–	129 673	–	–	–	–	325 756	363 939	401 851
Infrastructure - Sanitation	–	–	–	–	–	–	–	–	–
Infrastructure - Other	120 463	95 612	195 312	260 999	252 216	252 216	–	–	–
Infrastructure	120 463	225 284	195 312	260 999	252 216	252 216	325 756	363 939	401 851
Investment properties	–	–	–	–	–	–	–	–	–
Other assets	2 352	1 998	–	3 865	–	–	–	–	–
Total Capital Expenditure									
Infrastructure - Road transport	–	–	–	–	–	–	–	–	–
Infrastructure - Electricity	–	–	–	–	–	–	–	–	–
Infrastructure - Water	–	129 673	–	–	–	–	325 756	363 939	401 851
Infrastructure - Sanitation	–	–	–	–	–	–	–	–	–
Infrastructure - Other	120 463	95 612	195 312	260 999	252 216	252 216	–	–	–
Infrastructure	120 463	225 284	195 312	260 999	252 216	252 216	325 756	363 939	401 851
Community	–	–	–	–	–	–	–	–	–
Heritage assets	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Other assets	2 352	1 998	–	3 865	–	–	–	–	–
Agricultural Assets	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Intangibles	–	–	–	–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE - Assets	122 815	227 282	195 312	264 864	252 216	252 216	325 756	363 939	401 851
ASSET REGISTER SUMMARY - PPE (WDV)									
Infrastructure - Road transport	–	–	–	–	–	–	–	–	–
Infrastructure - Electricity	–	–	–	–	–	–	–	–	–
Infrastructure - Water	1 648 823	1 742 383	1 794 176	1 873 990	1 873 527	1 873 527	1 873 527	1 873 527	1 873 527
Infrastructure - Sanitation	–	–	–	–	–	–	–	–	–
Infrastructure - Other	13 214	13 507	–	–	–	–	–	–	–
Infrastructure	1 662 037	1 755 890	1 794 176	1 873 990	1 873 527	1 873 527	1 873 527	1 873 527	1 873 527
Community	–	–	–	–	–	–	–	–	–
Heritage assets	–	–	–	–	–	–	–	–	–
Investment properties	3 326	3 813	3 800	3 709	3 813	3 813	3 826	4 071	4 316
Other assets	17 023	15 596	1 633	–	–	–	–	–	–
Agricultural Assets	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Intangibles	700	700	1 059	700	1 059	1 059	1 258	1 339	1 425
TOTAL ASSET REGISTER SUMMARY - PPE	1 683 085	1 775 998	1 800 668	1 878 399	1 878 399	1 878 399	1 878 611	1 878 937	1 879 268
EXPENDITURE OTHER ITEMS									
Depreciation & asset impairment	35 413	38 249	48 920	49 912	47 139	47 139	21 020	22 750	24 556
Repairs and Maintenance by Asset Category	1 735	1 339	5 377	1 570	1 729	1 729	3 169	3 292	3 375
Infrastructure - Other	1 735	1 339	5 377	1 570	1 729	1 729	3 169	3 292	3 375
Infrastructure	1 735	1 339	5 377	1 570	1 729	1 729	3 169	3 292	3 375
TOTAL EXPENDITURE OTHER ITEMS	37 149	39 588	54 297	51 482	48 868	48 868	24 189	26 041	27 930
Renewal of Existing Assets as % of total PPE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Renewal of Existing Assets as % of depreciation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M as a % of PPE	0.1%	0.1%	0.3%	0.1%	0.1%	0.1%	0.2%	0.2%	0.2%
Renewal and R&M as a % of PPE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Explanatory notes to Table A9 - Asset Management

Table A9 provides an overview of municipal capital allocations to building new assets, no renewal of existing assets is provided for.

Part 2 SUPPORTING DOCUMENTATION

2.1 Overview of the Annual Budget Process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the MMC for Finance. The primary aims of the Budget Steering Committee are to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

2.1.1 The Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2015) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Executive Mayor tabled in Council the required IDP and Budget Time schedule on 27 August 2015 and the schedule with key deadlines was approved as per Council Resolution no:- 191/2015.

2.1.2 Community Consultation on the Draft Budget

The draft 2016/17 MTREF, was tabled during a Special Council meeting dated 16 March 2016, whereby community members were present. The draft budget document is further made available on the municipal website: www.rsmompatidm.gov.za. Furthermore, a Mayoral Roadshow will be held on the 21 April 2016 to seek the community inputs on the budget. Submissions received during the community consultation process and additional information regarding revenue and expenditure and capital projects will be considered by the Budget Steering Committee at a meeting to be held on 9/10 May 2016 for the finalisation of the 2016/2017 Budget.

2.1.3 IDP and Service Delivery and Budget Implementation Plan

The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the fourth revision cycle included the following key IDP processes and deliverables:-

- Registration of community needs;
- Compilation of departmental business plans with key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and
- The review of the performance management and monitoring processes.

The IDP has been taken into a business and financial planning process leading up to the 2016/17 MTREF, based on the approved 2015/2016 MTREF, mid-year review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2016/17 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2015/2016 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

2.2 Overview of Alignment of the Annual Budget with the IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realised through a credible integrated developmental planning process. Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals.

A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of

office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area.

The IDP enables municipalities to make the best use of scarce resources and speed up service delivery. Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality. It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area.

Applied to the Municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the Municipality strategically complies with the key national and provincial priorities. The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the Municipality's response to these requirements.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2015/16 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 14 – Table 16 below presents the reconciliation of the IDP Strategic Objectives. In order to ensure integrated and focused service delivery between all spheres of government it was important for the Municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the Municipality. The five-year programme responds to the development challenges and opportunities faced by the Municipality by identifying the key performance areas to achieve the five the strategic objectives mentioned above. In addition to the five-year IDP, the Municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years for infrastructure planning. This process is aimed at influencing the development path to restructure current patterns of settlement, activity and access

to resources in the Municipality so as to promote greater equity and enhanced opportunity. It provides direction to the Municipality's IDP, associated sectorial plans and strategies, and the allocation of resources of the Municipality and other service delivery partners.

The 2016/17 MTREF has therefore been directly informed by the IDP revision process and the following tables MBRR Tables SA4-SA6 as outlined in Table 14 – 16 below provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

2.3 Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the Municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assesses and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly at each quarter, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages.

2.4 Overview of budget related-policies

The Municipality's budgeting process is guided and governed by relevant legislation, frameworks. Additional to the MFMA and the Municipal Budget and Reporting Regulations, the following policies are used to guide the budget process:-

2.4.1 Asset Management Policy

The Asset Management Policy is considered a strategic guide in ensuring a sustainable approach to asset renewal, repairs and maintenance. In addition the policy prescribes the accounting and administrative policies and procedures relating to property, plant and equipment (fixed assets).

A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. Preserving the investment in existing infrastructure needs to be considered a significant strategy in ensuring the future sustainability of infrastructure and the revenue base.

2.4.2 Budget Policy

The budget process is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the financial management

practices of municipalities. To ensure that the Municipality continues to deliver on its core mandate and achieves its developmental goals, the mid-year review and adjustment budget process will be utilised to ensure that underperforming functions are identified and funds redirected to performing functions.

2.4.3 Supply Chain Management Policy

The Supply Chain Management Policy was adopted by Council in 2008. The policy is continually revised to incorporate amending legislation.

2.4.4 Investment & Cash Management Policy

The aim of the policy is to ensure that the Municipality's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves.

2.5 Overview of budget assumptions

2.5.1 External factors

The effects of recession are still evident. After a protracted hike in the interest rates, this increased recently. Upwards pressure is also evident in the inflation rate and the Rand continues to weaken against leading currencies. International oil prices are rising after a significant decrease over the previous months.

2.5.2 General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2016/17 MTREF:

- National Government macro-economic targets;
- The general inflationary outlook and the impact on Municipality's residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity and fuel; and
- The increase in the cost of remuneration.

2.5.3 Interest rates for borrowing and investment of funds

The MFMA specifies that borrowing can only be utilised to fund capital or refinancing of borrowing in certain conditions. The municipality chiefly engages in amortisation-style loans requiring both regular principal and interest payments. Surplus cash is invested and re-invested at short intervals.

2.5.4 Growth or decline in tax base of the municipality

Lack of revenue collection sources for the district municipality being one critical concerning point. The municipality is 99% grant dependent.

2.5.5 Salary increases

Salary increases were based on the proposed increase as per the MFMA budget circular.

2.5.6 Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Creating jobs;
- Enhancing education and skill development;
- Improving Health services;
- Rural development and agriculture; and
- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

2.5.7 Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of at 100 per cent is achieved on operating expenditure and 95 per cent on the capital programme for the 2016/17 MTREF.

2.6 Overview of budget funding

2.6.1 Medium-term outlook: operating revenue

Investment revenue contributes marginally to the revenue base. It needs to be noted that these allocations have been conservatively estimated. The actual performance against budget will be carefully monitored. Any variances in this regard will be addressed as part of the mid-year review and adjustments budget.

For the medium-term, the funding strategy has been informed directly by ensuring financial sustainability and continuity. The surplus is intended to partly fund capital expenditure from own sources as well as ensure adequate cash backing of reserves and funds.

2.6.2 Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2015/16 medium-term capital programme:

Capital grants and receipts equates to 49,2 per cent of the total funding source which represents R325m million for the 2016/17 financial year.

The municipality did not raise new loans, however, the municipality is still servicing old loans from the DBSA, which arose as demarcation liabilities between the Southern and the then Bophirima District Municipalities.

2.6.3 Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understanding for councillors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provide for as cash inflow based on actual performance. In other words the actual collection rate of billed revenue.

DC39 Dr Ruth Segomotsi Mompoti - Table A7 Budgeted Cash Flows										
Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 medium term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates, penalties & collection charges	-	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-	-
Other revenue	600	1 106	-	37 215	40 902	40 902	50	1 030	1 147	1 258
Government - operating	240 746	230 806	550 755	267 173	354 397	354 397	354 397	294 836	322 403	348 599
Government - capital	149 391	200 733	-	260 999	252 216	252 216	252 216	319 020	356 685	394 163
Interest	3 781	3 645	5 025	2 950	4 547	4 547	4 547	6 175	6 331	6 737
Dividends	-	-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees	(164 887)	(270 595)	(300 822)	(302 502)	(359 723)	(359 723)	(359 723)	(301 683)	(296 621)	(311 355)
Finance charges	-	-	(18 570)	(320)	(83)	(83)	(83)	(150)	(161)	(161)
Transfers and Grants	(72 875)	(56 337)	(42 508)	(43 450)	(41 663)	(41 663)	(41 663)	(20 240)	(27 178)	(32 180)
NET CASH FROM/(USED) OPERATING ACTIVITIES	156 756	109 357	193 879	222 065	250 593	250 593	209 741	298 987	362 606	407 062
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE	-	(354)	-	-	(354)	(354)	(354)	-	-	-
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	(8)	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-
Payments										
Capital assets	(122 815)	(131 671)	(196 945)	(264 864)	(255 286)	(255 286)	(255 286)	(325 756)	(363 939)	(401 851)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(122 815)	(132 025)	(196 953)	(264 864)	(255 640)	(255 640)	(255 640)	(325 756)	(363 939)	(401 851)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-
Payments										
Repayment of borrowing	-	-	(1 200)	-	(7 200)	(7 200)	(7 200)	(10 800)	(10 800)	(10 800)
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	-	(1 200)	-	(7 200)	(7 200)	(7 200)	(10 800)	(10 800)	(10 800)
NET INCREASE/ (DECREASE) IN CASH HELD	33 941	(22 668)	(4 274)	(42 799)	(12 248)	(12 248)	(53 099)	(37 569)	(12 133)	(5 589)
Cash/cash equivalents at the year begin:	46 719	80 660	57 996	57 992	53 722	53 722	53 722	53 722	16 153	4 020
Cash/cash equivalents at the year end:	80 660	57 992	53 722	15 193	41 474	41 474	623	16 153	4 020	(1 569)

The above table shows that cash and cash equivalents of the Municipality remains positively steady for the 2014/15 and 2015/2016 financial year. For the 2016/17 the budget has been prepared to ensure sustained levels of cash and cash equivalents during the 2016/2017 while that changes negatively over the medium-term.

2.6.4 Cash Backed Reserves/Accumulated Surplus Reconciliation

DC39 Dr Ruth Segomotsi Mompati - Table A8 Cash backed reserves/accumulated surplus reconciliation										
Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Cash and investments available										
Cash/cash equivalents at the year end	80 660	57 992	53 722	15 193	41 474	41 474	623	16 153	4 020	(1 569)
Other current investments > 90 days	(0)	(1)	–	101 799	30 719	30 719	71 571	60 776	78 239	89 491
Non current assets - Investments	–	–	–	–	–	–	–	–	–	–
Cash and investments available:	80 660	57 991	53 722	116 992	72 193	72 193	72 193	76 929	82 259	87 922
Application of cash and investments										
Unspent conditional transfers	106 858	69 940	42 683	47 615	–	–	–	–	–	–
Unspent borrowing	–	–	–	–	–	–	–	–	–	–
Statutory requirements	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	17 566	75 445	99 244	(10 225)	59 563	59 563	59 999	59 535	64 507	69 479
Other provisions	–	–	–	–	–	–	–	–	–	–
Long term investments committed	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investme	–	–	–	–	–	–	–	–	–	–
Total Application of cash and investme	124 424	145 385	141 927	37 390	59 563	59 563	59 999	59 535	64 507	69 479
Surplus(shortfall)	(43 764)	(87 394)	(88 205)	79 602	12 630	12 630	12 194	17 394	17 752	18 443

Table 11 above, MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation below meets the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

- What are the predicted cash and investments that are available at the end of the budget year? • How are those funds used?
- What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that is available. A shortfall (applications cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded' It is also important to analyse trends to understand the consequences. Small cash surpluses have been realised over the past three years, which is inevitably utilised to finance operations. No meaningful growth in cash has occurred. The working capital has to be optimally managed.

2.7 Table 13 MBRR Table SA2 Financial Performance Budget (revenue and expenditure per source and per type)

The following table SA 2, presents the financial performance Budget per revenue source and per expenditure type per vote

DC39 Dr Ruth Segomotsi Mompoti - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - EXECUTIVE SUPPORT	Vote 2 - SPEAKER'S OFFICE	Vote 3 - MUNICIPAL MANAGER	Vote 4 - INTERNAL AUDIT	Vote 5 - BUDGET AND TREASURY	Vote 6 - CORPORATE SERVICES	Vote 7 - PLANNING AND DEVELOPOM	Vote 8 - ENVIRONME NTAL HEALTH	Vote 9 - FIRE AND DISASTER MANAGEME	Vote 10 - ENGINEERIN G SERVICES	Vote 11 - PROJECT MANAGEME NT UNIT	Vote 12 - ECONOMIC DEVELOPME NT,	Vote 13 - [NAME OF VOTE 13]	Vote 14 - [NAME OF VOTE 14]	Vote 15 - [NAME OF VOTE 15]	Total
R thousand	1																
Revenue By Source																	
Property rates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned - external investments		-	-	-	-	6 175	-	-	-	-	-	-	-	-	-	-	6 175
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenue		-	-	-	-	-	50	-	-	-	-	-	-	-	-	-	50
Transfers recognised - operational		18 579	4 971	4 614	11 696	16 238	27 348	3 912	11 628	20 017	156 043	6 736	15 240	-	-	-	297 021
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		18 579	4 971	4 614	11 696	22 412	27 398	3 912	11 628	20 017	156 043	6 736	15 240	-	-	-	303 246
Expenditure By Type																	
Employee related costs		10 748	1 597	4 222	9 850	11 491	14 927	3 185	9 392	17 271	8 772	5 046	9 645	-	-	-	106 146
Remuneration of councillors		4 691	2 386	-	-	-	-	-	-	-	-	-	-	-	-	-	7 078
Debt impairment		-	-	-	-	50	-	-	-	-	-	-	-	-	-	-	50
Depreciation & asset impairment		20	-	-	-	500	-	50	50	50	20 300	50	-	-	-	-	21 020
Finance charges		-	-	-	-	150	-	-	-	-	-	-	-	-	-	-	150
Bulk purchases		-	-	-	-	-	-	-	-	-	105 122	-	-	-	-	-	105 122
Other materials		951	82	50	55	60	300	50	60	595	-	886	80	-	-	-	3 169
Contracted services		-	-	-	-	2 500	1 590	430	-	150	10 037	-	-	-	-	-	14 707
Transfers and grants		-	100	-	-	3 000	700	-	1 500	200	10 590	-	4 150	-	-	-	20 240
Other expenditure		2 168	806	342	1 792	4 661	9 880	197	626	1 751	1 222	754	1 365	-	-	-	25 566
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		18 579	4 971	4 614	11 696	22 413	27 398	3 912	11 628	20 017	156 043	6 736	15 240	-	-	-	303 247
Surplus/(Deficit)		(0)	0	0	0	(0)	0	(0)	0	0	(0)	(0)	0	-	-	-	(1)
Transfers recognised - capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions recognised - capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(0)	0	0	0	(0)	0	(0)	0	0	(0)	(0)	0	-	-	-	(1)

2.8 Table 14 MBRR Table SA4 Reconciliation of the IDP and the Strategic Objectives (Revenue)

DC39 Dr Ruth Segomotsi Mompati - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)										
Strategic Objective	Goal	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Service Delivery and Infrastructure development	To eradicate backlogs in order to improve access to services and ensure proper operations and maintenance	270 053	288 981	341 132	424 995	505 772	505 772	481 978	537 484	591 334
Public participation and good governance	To promote a culture of participatory and good governance.	34 444	39 089	41 644	42 502	43 158	43 158	43 772	47 030	50 324
Institutional development and transformation	To improve organisational cohesion and effectiveness	19 256	30 584	23 119	27 303	30 198	30 198	27 348	29 285	31 343
Financial Viability	To improve overall financial management in the municipalities by developing and implementing appropriate financial management policies, procedures and systems	14 757	14 841	16 606	23 281	22 206	22 206	21 078	22 600	24 078
Local Economic Development, Tourism and Agriculture	Create an environment that promotes the development of the local economy and facilitate job creation	20 014	16 504	13 258	17 358	16 318	16 318	15 240	16 307	17 448
Community Services and Development	Environmental Health Fire and Disaster Management Solid waste management systems	35 994	36 244	40 067	32 798	34 410	34 410	31 645	33 860	36 231
Allocations to other priorities										
Total Revenue (excluding capital transfers and contr		394 518	426 243	475 826	568 237	652 061	652 061	621 061	686 566	750 757

2.9 Table 15 MBRR Table SA5 Reconciliation of the IDP and the Strategic Objectives (Expenditure)

DC39 Dr Ruth Segomotsi Mompoti - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)										
Strategic Objective	Goal	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
Service Delivery and Infrastructure development	To eradicate backlogs in order to improve access to services and ensure proper operations and maintenance	212 643	260 122	192 612	206 996	256 127	256 127	161 867	174 998	184 392
Public participation and good governance (Internal Audit, Office of the Mayor, Office of the Speaker)	To promote a culture of participatory and good governance.	31 570	37 200	39 599	42 222	42 928	42 928	43 772	47 030	50 324
Institutional development and transformation (Corporate Services, PMS and IDP)	To improve organisational cohesion and effectiveness	25 731	31 740	35 656	26 353	29 598	29 598	27 348	29 285	31 343
Financial Viability	To improve overall financial management in the municipalities by developing and implementing appropriate financial management policies, procedures and systems	14 912	16 431	16 513	23 081	22 206	22 206	21 078	22 600	24 078
Local Economic Development, Tourism and Agriculture	Create an environment that promotes the development of the local economy and facilitate job creation	13 702	14 273	12 417	15 190	16 218	16 218	15 240	16 307	17 448
Community Services and Development	Environmental Health Fire and Disaster Management Solid waste management systems	34 491	40 743	41 278	30 473	34 310	34 310	31 645	33 860	36 231
Allocations to other priorities										
Total Expenditure		333 049	400 510	338 074	344 315	401 386	401 386	300 949	324 080	343 815

2.10 Table 16 MBRR SA6 Reconciliation of the IDP and the Strategic Objectives (Capital)

DC39 Dr Ruth Segomotsi Mompati - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)										
Strategic Objective	Goal	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
Service Delivery and Infrastructure development	To eradicate backlogs in order to improve access to services and ensure proper operations and maintenance	120 463	95 612	195 312	260 999	252 216	252 216	325 756	363 939	401 851
Public participation and good governance (Internal Audit, Office of the Mayor, Office of the Speaker, Planning and Dev)	To promote a culture of participatory and good governance.	237	878	–	310	740	740	–	–	–
Institutional development and transformation (Corporate Services)	To improve organisational cohesion and effectiveness	1 430	759	796	850	600	600	–	–	–
Financial Viability	To improve overall financial management in the municipalities by developing and implementing appropriate financial management policies, procedures and systems	98	90	23	200	100	100	–	–	–
Local Economic Development, Tourism and Agriculture	Create an environment that promotes the development of the local economy and facilitate job creation	50	85	83	200	50	50	–	–	–
Community Services and Development	Environmental Health Fire and Disaster Management Solid waste management systems	537	137	731	2 305	1 580	1 580	–	–	–
Allocations to other priorities										
Total Capital Expenditure		122 815	97 560	196 945	264 864	255 286	255 286	325 756	363 939	401 851

2.11 Table 17 MBRR SA10 Funding Measurement

Description	MFMA section	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	80 660	57 992	53 722	15 193	41 474	41 474	623	16 153	4 020	(1 569)
Cash + investments at the yr end less applications - R'000	18(1)b	2	(43 764)	(87 394)	(88 205)	79 602	12 630	12 630	12 194	17 394	17 752	18 443
Cash year end/monthly employee/supplier payments	18(1)b	3	3.5	2.0	2.4	0.7	1.5	1.5	0.0	0.8	0.2	(0.1)
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	61 469	25 733	137 752	223 922	250 676	250 676	250 676	320 111	362 485	406 942
Service charge rev % change - macro CPIX target excl	18(1)a,(2)	5	N.A.	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	60.3%	100.0%	0.0%	100.0%	100.0%	100.0%	0.1%	100.0%	100.0%	100.0%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital payments % of capital expenditure	18(1)c;19	8	100.0%	135.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transf	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	(18.0%)	68.5%	33.5%	(65.8%)	0.0%	0.0%	6.4%	6.4%	6.0%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	0.1%	0.1%	0.3%	0.1%	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

2.12 Table 18 MBRR SA16 – Detail Investment Information

DC39 Dr Ruth Segomotsi Mompati - Supporting Table SA16 Investment particulars by maturity										
Investments by Maturity	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate 3.	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	Yrs/Months									
Parent municipality										
										-
503 - FNB - 6 Months Fixed Account	6 months	Call Account	Yes	Variable	7.85	4 500	162	(162)	-	4 500
504 - Municipal Infrastructure Grant	One year	Call Account	No	Variable	5	12 768	1 805	(110 447)	134 717	38 843
505 - DWAF	One year	Call Account	No	Variable	5	11 000	505	(40 587)	113 339	84 256
506 - Department of Sport Grant	One year	Call Account	No	Variable	5	969	505	(32)	-	1 442
507 - Disaster Management Fund	One year	Call Account	No	Variable	5	2 615	51	(2 343)	-	323
508 - MSIG	One year	Call Account	No	Variable	5	126	46	(350)	1 041	863
509 - FMG	One year	Call Account	No	Variable	5	332	59	(894)	1 250	748
510 - Rural Sanitation Program (DDL&H)	One year	Call Account	No	Variable	5	38	2	(1)	-	39
511 - Deployment of Engineer Grant (DDL&H)	One year	Call Account	No	Variable	5	1	0	-	-	1
512 - Guarantees	One year	Call Account	No	Variable	5	418	23	(14)	-	427
513 - Leave Provision	One year	Call Account	No	Variable	5	2 352	141	(78)	-	2 414
514 - Fire & Emergency	One year	Call Account	No	Variable	5	2 625	156	(87)	-	2 694
515 - Transition Grant: IMMIS	One year	Call Account	No	Variable	5	38	2	(1)	-	39
516 - Rural Water Program (DDL&H)	One year	Call Account	No	Variable	5	-	-	-	-	-
517 - LGSETA Grant	One year	Call Account	No	Variable	5	4	70	(2 021)	-	(1 946)
518 - National Department Public Works	One year	Call Account	No	Variable	5	347	33	(2 072)	2 273	581
519 - Provincial Infrastructure Grant	One year	Call Account	No	Variable	5	2 624	137	(430)	-	2 331
520 - Rural Transport Service and Infrastructure Grant	One year	Call Account	No	Variable	5	8	80	(2 131)	2 290	247
521 - Rural Households Infrastructure Grant	One year	Call Account	No	Variable	5	1 883	128	(5 034)	-	(3 023)
522 - MWIG	One year	Call Account	No	Variable	5	573	574	(19 859)	-	(18 712)
523 - Equitable Share	One year	Call Account	No	Variable	5.31	27 921	1 162	(140 153)	282 287	171 217
524 - WSOG	One year	Call Account	No	Variable	5.5	4 200	535	(1 868)	-	2 867
525 - Water Service Infrastructure Grant (New Inves	One year	Call Account	No	Variable	0	-	-	-	77 700	77 700
Municipality sub-total						75 343	6 175	(328 564)	614 897	367 850
TOTAL INVESTMENTS AND INTEREST						75 343	6 175	(328 564)	614 897	367 850

2.13 Table 19 MBRR SA18 Transfers and Grants Receipt

DC39 Dr Ruth Segomotsi Mompati - Supporting Table SA18 Transfers and grant receipts									
Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue &		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
RECEIPTS:									
Operating Transfers and Grants									
National Government:	219 333	218 559	234 139	287 167	327 563	327 563	288 100	315 149	340 911
Local Government Equitable Share	209 603	214 800	223 475	260 500	302 262	302 262	282 287	311 460	336 816
Finance Management	1 250	1 218	1 075	1 250	1 250	1 250	1 250	1 250	1 505
Water Services Operating Subsidy	1 327	—	6 666	9 737	9 737	9 737	—	—	—
Municipal Systems Improvement	1 000	872	877	930	930	930	—	—	—
EPWP Incentive	6 153	1 668	2 047	2 262	2 262	2 262	2 273	—	—
Water Services Operating Subsidy	—	—	—	—	—	—	—	—	—
ACIP	—	—	—	12 488	11 122	11 122	—	—	—
Rural Transport Services and Infrastructure	3 463	2 078	3 883	2 231	2 231	2 231	2 290	2 439	2 590
Provincial Government:	—	4 814	9 442	—	—	—	—	—	—
Health subsidy	—	—	—	—	—	—	—	—	—
District Municipality:	—	—	—	—	—	—	—	—	—
Own income	—	—	—	—	—	—	—	—	—
Other grant providers:	—	2 407	4 721	—	—	—	—	—	—
Disaster Management Grant	—	99	4 721	—	—	—	—	—	—
LG Seta Grant	—	2 308	—	—	—	—	—	—	—
Total Operating Transfers and Grants	219 333	225 780	248 301	287 167	327 563	327 563	288 100	315 149	340 911
Capital Transfers and Grants									
National Government:	111 098	180 617	212 983	208 674	201 357	201 357	325 756	363 939	401 851
Municipal Infrastructure Grant (MIG)	111 098	134 302	177 217	136 575	136 575	136 575	134 717	145 080	153 761
Rural Households Infrastructure	—	3 509	3 947	4 500	4 500	4 500	—	—	—
Rural Transport Services and Infrastructure	—	—	—	—	—	—	—	—	—
Regional Bulk Infrastructure	—	42 807	31 819	67 599	60 282	60 282	113 339	116 859	136 533
Municipal Infrastructure Grant (MIG)	—	—	—	—	—	—	—	—	—
Water Service Infrastructure Grant	—	—	—	—	—	—	77 700	102 000	111 557
Provincial Government:	—	8 297	12 806	30 000	30 000	30 000	—	—	—
Municipal Water Infrastructure Grant	—	8 297	12 806	30 000	30 000	30 000	—	—	—
District Municipality:	—	—	—	—	—	—	—	—	—
Other grant providers:	—	10 708	958	—	—	—	—	—	—
Disaster Management Gr	—	—	—	—	—	—	—	—	—
PIG	—	10 708	958	—	—	—	—	—	—
Total Capital Transfers and Grants	111 098	199 623	226 748	238 674	231 357	231 357	325 756	363 939	401 851
TOTAL RECEIPTS OF TRANSFERS & GRANT	330 431	425 403	475 049	525 841	558 920	558 920	613 856	679 088	742 762

Table 20 MBRR Table SA19 Transfers and Grants Expenditure

DC39 Dr Ruth Segomotsi Mompoti - Supporting Table SA19 Expenditure on transfers and grant programme									
Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
EXPENDITURE:									
Operating expenditure of Transfers and Grants									
National Government:	219 333	218 559	234 233	287 167	327 563	327 563	289 141	316 786	340 911
Local Government Equitable Share	209 603	214 800	223 475	260 500	302 262	302 262	282 287	311 460	336 816
Finance Management	1 250	1 218	1 075	1 250	1 250	1 250	1 250	1 250	1 505
Water Services Operating Subsidy	1 327	—	6 666	9 737	9 737	9 737	—	—	—
Municipal Systems Improvement	1 000	872	877	930	930	930	—	1 637	—
EPWP Incentive	6 153	1 668	2 141	2 262	2 262	2 262	2 273	—	—
Water Services Operating Subsidy	—	—	—	—	—	—	—	—	—
ACIP	—	—	—	12 488	11 122	11 122	—	—	—
Rural Transport Services and Infrastructure	3 463	2 078	3 883	2 231	2 231	2 231	2 290	2 439	2 590
Provincial Government:	—	—	—	—	—	—	—	—	—
Health subsidy	—	—	—	—	—	—	—	—	—
District Municipality:	—	—	—	—	—	—	—	—	—
<i>Own income</i>	—	—	—	—	—	—	—	—	—
Other grant providers:	—	—	4 721	—	—	—	—	—	—
<i>Disaster Management Grant</i>	—	—	4 721	—	—	—	—	—	—
Total operating expenditure of Transfers and Grants:	219 333	218 559	238 954	287 167	327 563	327 563	289 141	316 786	340 911
Capital expenditure of Transfers and Grants									
National Government:	111 098	179 464	212 983	208 674	201 357	201 357	325 756	363 939	401 851
Municipal Infrastructure Grant (MIG)	111 098	133 149	177 217	136 575	136 575	136 575	134 717	145 080	153 761
Rural Households Infrastructure	—	3 509	3 947	4 500	4 500	4 500	—	—	—
Rural Transport Services and Infrastructure	—	—	—	—	—	—	—	—	—
Regional Bulk Infrastructure	—	42 807	31 819	67 599	60 282	60 282	113 339	116 859	136 533
Municipal Infrastructure Grant (MIG)	—	—	—	—	—	—	—	—	—
Water Service Infrastructure Grant	—	—	—	—	—	—	77 700	102 000	111 557
Provincial Government:	—	8 297	12 806	30 000	30 000	30 000	—	—	—
Municipal Water Infrastructure Grant	—	8 297	12 806	30 000	30 000	30 000	—	—	—
District Municipality:	—	—	—	—	—	—	—	—	—
<i>Own income</i>	—	—	—	—	—	—	—	—	—
Other grant providers:	—	—	—	—	—	—	—	—	—
<i>Disaster Management Gr</i>	—	—	—	—	—	—	—	—	—
Total capital expenditure of Transfers and Grants	111 098	187 761	225 789	238 674	231 357	231 357	325 756	363 939	401 851
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	330 431	406 319	464 743	525 841	558 920	558 920	614 897	680 725	742 762

2.14 Table 21 MBRR Table SA22 Summary of Staff and Councillor Benefits

DC39 Dr Ruth Segomotsi Mompati - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome R'000	Audited Outcome R'000	Audited Outcome R'000	Original Budget R'000	Adjusted Budget R'000	Full Year Forecast R'000	Budget Year 2016/17 R'000	Budget Year +1 2017/18 R'000	Budget Year +2 2018/19 R'000
R thousand									
<u>Councillors</u>									
Basic Salaries and Wages	3 019	3 139	3 340	3 574	4 026	4 026	3 669	3 925	4 200
Pension and UIF Contributions	453	536	571	526	586	586	595	637	681
Medical Aid Contributions	76	121	121	75	130	130	69	74	79
Motor Vehicle Allowance	755	772	820	877	906	906	900	963	1 030
Cellphone Allowance	–	114	117	–			230	246	263
Housing Allowances	729	631	675	860	899	899	836	894	957
Other benefits and allowances	295	203	231	315	398	398	327	349	374
Sub Total - Councillors	5 326	5 515	5 875	6 228	6 944	6 944	6 624	7 088	7 584
% increase		3,5%	6,5%	6,0%	11,5%	–	(4,6%)	7,0%	7,0%

DC39 Dr Ruth Segomotsi Mompati - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome R'000	Audited Outcome R'000	Audited Outcome R'000	Original Budget R'000	Adjusted Budget R'000	Full Year Forecast R'000	Budget Year 2016/17 R'000	Budget Year +1 2017/18 R'000	Budget Year +2 2018/19 R'000
R thousand									
<u>Senior Managers</u>									
Basic Salaries and Wages	4 886	4 831	5 970	5 844	7 634	7 634	8 366	8 952	9 578
Pension and UIF Contributions	751	823	996	936	1 012	1 012	1 256	1 344	1 438
Medical Aid Contributions	1 651	1 752	136	134	177	177	177	189	202
Overtime	—	—	—	—	—	—	—	—	—
Performance Bonus	950	112	—	1 547	1 641	1 641	1 783	1 908	2 041
Motor Vehicle Allowance	800	1 251	1 061	896	1 096	1 096	1 292	1 382	1 479
Cellphone Allowance	20	7	7	18	18	18	28	30	32
Housing Allowances	1 450	3 250	1 695	1 805	1 645	1 645	1 978	2 117	2 265
Other benefits and allowances	13 346	3 965	201	168	—	—	—	—	—
Payments in lieu of leave	266	159	359	237	324	324	335	358	383
Sub Total - Senior Managers of Municipality	24 120	16 150	10 425	11 585	13 548	13 548	15 214	16 279	17 419
% increase		(33,0%)	(35,5%)	11,1%	16,9%	—	12,3%	7,0%	7,0%
<u>Other Municipal Staff</u>									
Basic Salaries and Wages	30 612	46 763	49 308	41 497	51 161	51 161	51 880	55 512	59 397
Pension and UIF Contributions	5 705	5 946	8 235	8 398	9 268	9 268	9 249	9 897	10 589
Medical Aid Contributions	2 612	3 346	9 419	2 852	4 714	4 714	2 965	3 172	3 394
Overtime	1 722	1 953	2 140	1 439	1 865	1 865	1 192	1 276	1 365
Performance Bonus	—	—	—	3 709	(1 641)	(1 641)	—	—	—
Motor Vehicle Allowance	6 050	10 589	11 260	11 830	11 700	11 700	11 854	12 684	13 572
Cellphone Allowance	150	191	236	180	502	502	170	182	195
Housing Allowances	504	508	484	265	493	493	154	165	177
Other benefits and allowances	10 703	8	5 038	1 716	7 080	7 080	11 728	12 549	13 427
Payments in lieu of leave	945	956	2 885	1 399	990	990	1 514	1 620	1 734
Long service awards	302	308	—	197	284	284	174	186	199
Post-retirement benefit obligations	—	—	—	—	—	—	—	—	—
Sub Total - Other Municipal Staff	59 304	70 568	89 005	73 483	86 416	86 416	90 881	97 243	104 050
% increase		19,0%	26,1%	(17,4%)	17,6%	—	5,2%	7,0%	7,0%
Total Parent Municipality	88 751	92 233	105 304	91 296	106 909	106 909	112 720	120 610	129 053

2.15 Table 22 MBRR Table SA 24 Summary of Personnel Numbers

DC39 Dr Ruth Segomotsi Mompati - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers Number	2014/15			Current Year 2015/16			Budget Year 2016/17		
	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council									
Councillors	29	29	29	27	7	20	28	–	28
Municipal employees									
Municipal Manager and Senior Managers	10	10	10	10	–	10	10	–	10
Other Managers	19	19	19	26	23	–	29	29	–
Professionals	93	94	92	139	132	11	220	220	–
<i>Finance</i>	–	1	–	20	17	4	20	20	–
<i>Spatial/town planning</i>	1	1	–		–	–			–
<i>Information Technology</i>				1	1	–	1	1	–
<i>Water</i>	6	6	6	7	7	–	7	7	–
<i>Other</i>	86	86	86	111	107	7	140	140	–
Technicians	–	–	–	–	–	–	–	–	–
Clerks (Clerical and administrative)	70	65	–	12	12		64	64	–
TOTAL PERSONNEL NUMBERS	221	217	150	214	174	41	299	261	38
% increase				(3,2%)	(19,8%)	(72,7%)	39,7%	50,0%	(7,3%)
Total municipal employees headcount	221	174	39	213	174	39	227	–	–
Finance personnel headcount	23	19	4	23	19	4	21	–	–
Human Resources personnel headcount	41	38	3	41	38	3	51	–	–

2.17 Table 23 MBRR Table SA 25 Budgeted Monthly Revenue and Expenditure Per Source and Per Type

DC39 Dr Ruth Segomotsi Mompoti - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description R thousand	Budget Year 2016/17												Medium Term Revenue and		
	July R	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
<u>Revenue By Source</u>															
Rental of facilities and equipment	67	67	67	67	67	67	67	67	67	67	67	67	800	864	933
Interest earned - external investments	387	387	387	387	387	387	387	387	387	387	387	387	4 640	4 872	5 116
Transfers recognised - operational	130 180	–	–	–	94 447	–	–	–	65 000	–	–	(0)	289 627	315 000	340 505
Other revenue	21	21	21	21	21	21	21	21	21	21	21	21	250	283	302
Gains on disposal of PPE	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	130 654	474	474	474	94 921	474	474	474	65 474	474	474	474	295 317	321 019	346 855
<u>Expenditure By Type</u>															
Employee related costs	8 161	8 161	8 161	8 161	16 322	8 161	8 161	8 161	8 161	8 161	8 161	8 161	106 096	113 429	120 845
Remuneration of councillors	589	589	589	589	589	589	589	589	589	589	589	589	7 068	7 576	8 103
Debt impairment	–	–	–	–	–	–	–	–	–	–	–	50	50	54	57
Depreciation & asset impairment	–	–	–	–	–	–	–	–	–	–	–	21 020	21 020	22 750	24 556
Finance charges	13	13	13	13	13	13	13	13	13	13	13	13	150	161	161
Bulk purchases	10 427	10 427	10 427	10 427	10 427	10 427	10 427	10 427	10 427	10 427	10 427	10 427	125 122	133 870	144 456
Other materials	264	264	264	264	264	264	264	264	264	264	264	264	3 169	3 292	3 375
Contracted services	1 261	1 261	1 261	1 261	1 261	1 261	1 261	1 261	1 261	1 261	1 261	1 261	15 137	16 316	17 502
Transfers and grants	1 687	1 687	1 687	1 687	1 687	1 687	1 687	1 687	1 687	1 687	1 687	1 687	20 240	27 178	32 180
Other expenditure	1 964	1 964	1 964	1 964	1 964	1 964	1 964	1 964	1 964	1 964	1 964	1 964	23 566	25 116	26 881
Loss on disposal of PPE	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure	24 365	24 365	24 365	24 365	32 527	24 365	24 365	24 365	24 365	24 365	24 365	45 435	321 617	349 740	378 114
<u>Surplus/(Deficit)</u>	106 289	(23 891)	(23 891)	(23 891)	62 394	(23 891)	(23 891)	(23 891)	41 109	(23 891)	(23 891)	(44 961)	(26 300)	(28 721)	(31 259)
Transfers recognised - capital	160 000	–	–	120 000	–	–	–	–	45 756	–	–	–	325 756	361 938	402 151
Contributions recognised - capital	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Contributed assets	(160 000)	–	–	(120 000)	–	–	–	–	(45 756)	–	–	325 756	–	–	–
Surplus/(Deficit)	106 289	(23 891)	(23 891)	(23 891)	62 394	(23 891)	(23 891)	(23 891)	41 109	(23 891)	(23 891)	280 795	299 456	333 217	370 892

2.18 Table 24 MBRR Table SA26 Budgeted Monthly Revenue and Expenditure per Vote

DC39 Dr Ruth Segomotsi Mompoti - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description R thousand	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue by Vote															
Vote 1 - EXECUTIVE SUPPORT	6 193	—	—	—	6 193	—	—	—	6 193	—	—	—	18 579	19 826	21 213
Vote 2 - SPEAKER'S OFFICE	1 657	—	—	—	1 657	—	—	—	1 657	—	—	—	4 971	5 319	5 692
Vote 3 - MUNICIPAL MANAGER	1 538	—	—	—	1 538	—	—	—	1 538	—	—	—	4 614	4 937	5 282
Vote 4 - INTERNAL AUDIT	3 899	—	—	—	3 899	—	—	—	3 899	—	—	—	11 696	12 515	13 391
Vote 5 - BUDGET AND TREASURY OFFICE	5 939	408	408	408	5 939	408	408	408	5 886	408	408	53	21 078	22 600	24 078
Vote 6 - CORPORATE SERVICES	8 939	67	67	67	8 938	67	67	67	8 871	67	67	67	27 348	29 285	31 343
Vote 7 - PLANNING AND DEVELOPMENT	1 304	—	—	—	1 304	—	—	—	1 304	—	—	—	3 912	4 433	4 745
Vote 8 - ENVIRONMENTAL HEALTH	3 876	—	—	—	3 876	—	—	—	3 876	—	—	—	11 628	12 442	13 313
Vote 9 - FIRE AND DISASTER MANAGEMENT	6 672	—	—	—	6 672	—	—	—	6 672	—	—	—	20 017	21 418	22 917
Vote 10 - ENGINEERING SERVICES	243 312	—	—	120 000	47 580	—	—	—	64 009	—	—	354	475 255	526 621	581 895
Vote 11 - PROJECT MANAGEMENT UNIT	2 245	—	—	—	2 245	—	—	—	2 245	—	—	—	6 736	7 254	7 688
Vote 12 - ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE	5 080	—	—	—	5 080	—	—	—	5 080	—	—	0	15 240	16 307	17 448
Total Revenue by Vote	290 654	474	474	120 474	94 921	474	474	474	111 230	474	474	473	621 073	682 957	749 006
Expenditure by Vote to be appropriated															
Vote 1 - EXECUTIVE SUPPORT	1 548	1 548	1 548	1 548	1 548	1 548	1 548	1 548	1 548	1 548	1 548	1 548	18 579	19 826	21 213
Vote 2 - SPEAKER'S OFFICE	414	414	414	414	414	414	414	414	414	414	414	414	4 971	5 319	5 692
Vote 3 - MUNICIPAL MANAGER	384	384	384	384	384	384	384	384	384	384	384	384	4 614	4 937	5 282
Vote 4 - INTERNAL AUDIT	975	975	975	975	975	975	975	975	975	975	975	975	11 696	12 515	13 391
Vote 5 - BUDGET AND TREASURY OFFICE	1 756	1 756	1 756	1 756	1 756	1 756	1 756	1 756	1 756	1 756	1 756	1 756	21 078	22 600	24 078
Vote 6 - CORPORATE SERVICES	2 279	2 279	2 279	2 279	2 279	2 279	2 279	2 279	2 279	2 279	2 279	2 279	27 348	29 285	31 343
Vote 7 - PLANNING AND DEVELOPMENT	326	326	326	326	326	326	326	326	326	326	326	326	3 912	4 433	4 745
Vote 8 - ENVIRONMENTAL HEALTH	969	969	969	969	969	969	969	969	969	969	969	969	11 628	12 442	13 313
Vote 9 - FIRE AND DISASTER MANAGEMENT	1 668	1 668	1 668	1 668	1 668	1 668	1 668	1 668	1 668	1 668	1 668	1 668	20 017	21 418	22 917
Vote 10 - ENGINEERING SERVICES	13 970	13 970	13 970	13 970	13 970	13 970	13 970	13 970	13 970	13 970	13 970	22 130	175 799	193 404	211 002
Vote 11 - PROJECT MANAGEMENT UNIT	561	561	561	561	561	561	561	561	561	561	561	561	6 736	7 254	7 688
Vote 12 - ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE	1 270	1 270	1 270	1 270	1 270	1 270	1 270	1 270	1 270	1 270	1 270	1 270	15 240	16 307	17 448
Total Expenditure by Vote	26 121	26 121	26 121	26 121	26 121	26 121	26 121	26 121	26 121	26 121	26 121	34 281	321 617	349 740	378 114
Surplus/(Deficit) before assoc.	264 533	(25 647)	(25 647)	94 353	68 799	(25 647)	(25 647)	(25 647)	85 109	(25 647)	(25 647)	(33 808)	299 456	333 217	370 892
Surplus/(Deficit)	264 533	(25 647)	(25 647)	94 353	68 799	(25 647)	(25 647)	(25 647)	85 109	(25 647)	(25 647)	(33 808)	299 456	333 217	370 892

2.19 Table 26 MBRR Table SA 27 Budgeted Monthly Revenue and Expenditure Per Standard Classification

DC39 Dr Ruth Segomotsi Mompoti - Supporting Table SA27 Budgeted monthly Revenue and Expenditure (Standard Classification)

Description	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
	July R'000	August R'000	Sept. R'000	October R'000	November R'000	December R'000	January R'000	February R'000	March R'000	April R'000	May R'000	June R'000	Budget Year 2016/17 R'000	Budget Year +1 2017/18 R'000	Budget Year +2 2018/19 R'000
Revenue - Standard															
Governance and administration	28 165	474	474	474	28 164	474	474	474	28 044	474	474	119	88 286	94 482	101 000
Executive and council	13 287	—	—	—	13 287	—	—	—	13 287	—	—	(11 696)	28 164	30 082	32 187
Budget and treasury office	5 939	408	408	408	5 939	408	408	408	5 886	408	408	53	21 078	22 600	24 078
Corporate services	8 939	67	67	67	8 938	67	67	67	8 871	67	67	11 763	39 044	41 800	44 734
Community and public safety	10 548	—	—	—	10 548	—	—	—	10 548	—	—	—	31 645	33 860	36 231
Public safety	6 672	—	—	—	6 672	—	—	—	6 672	—	—	—	20 017	21 418	22 917
Health	3 876	—	—	—	3 876	—	—	—	3 876	—	—	—	11 628	12 442	13 313
Economic and environmental services	1 304	—	—	—	1 304	—	—	—	1 304	—	—	—	3 912	4 433	4 745
Planning and development	1 304	—	—	—	1 304	—	—	—	1 304	—	—	—	3 912	4 433	4 745
Trading services	245 557	0	0	120 000	49 825	0	0	0	66 254	0	0	354	481 990	533 875	589 583
Water	245 557	—	—	120 000	49 825	—	—	—	66 254	—	—	354	481 990	533 875	589 583
Other	5 080	—	—	—	5 080	—	—	—	5 080	—	—	0	15 240	16 307	17 448
Total Revenue - Standard	290 654	474	474	120 474	94 921	474	474	474	111 230	474	474	473	621 073	682 957	749 006
Expenditure - Standard															
Governance and administration	7 357	7 357	7 357	7 357	7 357	7 357	7 357	7 357	7 357	7 357	7 357	7 357	88 286	94 482	101 000
Executive and council	3 322	3 322	3 322	3 322	3 322	3 322	3 322	3 322	3 322	3 322	3 322	(8 375)	28 164	30 082	32 187
Budget and treasury office	1 756	1 756	1 756	1 756	1 756	1 756	1 756	1 756	1 756	1 756	1 756	1 756	21 078	22 600	24 078
Corporate services	2 279	2 279	2 279	2 279	2 279	2 279	2 279	2 279	2 279	2 279	2 279	13 975	39 044	41 800	44 734
Community and public safety	2 637	2 637	2 637	2 637	2 637	2 637	2 637	2 637	2 637	2 637	2 637	2 637	31 645	33 860	36 231
Public safety	1 668	1 668	1 668	1 668	1 668	1 668	1 668	1 668	1 668	1 668	1 668	1 668	20 017	21 418	22 917
Health	969	969	969	969	969	969	969	969	969	969	969	969	11 628	12 442	13 313
Economic and environmental services	326	326	326	326	326	326	326	326	326	326	326	326	3 912	4 433	4 745
Planning and development	326	326	326	326	326	326	326	326	326	326	326	326	3 912	4 433	4 745
Trading services	14 531	14 531	14 531	14 531	14 531	14 531	14 531	14 531	14 531	14 531	14 531	22 691	182 535	200 658	218 690
Water	14 531	14 531	14 531	14 531	14 531	14 531	14 531	14 531	14 531	14 531	14 531	22 691	182 535	200 658	218 690
Other	1 270	1 270	1 270	1 270	1 270	1 270	1 270	1 270	1 270	1 270	1 270	1 270	15 240	16 307	17 448
Total Expenditure - Standard	26 121	26 121	26 121	26 121	26 121	26 121	26 121	26 121	26 121	26 121	26 121	34 281	321 617	349 740	378 114
Surplus/(Deficit)	264 533	(25 647)	(25 647)	94 353	68 799	(25 647)	(25 647)	(25 647)	85 109	(25 647)	(25 647)	(33 808)	299 456	333 217	370 892

2.20 Table 27 MBRR Table SA28 Budgeted Monthly Capital Expenditure per Municipal Vote

DC39 Dr Ruth Segomotsi Mompati - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description R thousand	Budget Year 2016/17												Medium Term Revenue and		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Single-year expenditure to be appropriated															
Vote 1 - EXECUTIVE SUPPORT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - SPEAKER'S OFFICE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - MUNICIPAL MANAGER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - INTERNAL AUDIT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - BUDGET AND TREASURY OFFICE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - CORPORATE SERVICES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - PLANNING AND DEVELOPMENT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - ENVIRONMENTAL HEALTH	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - FIRE AND DISASTER MANAGEMENT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - ENGINEERING SERVICES	26 585	26 585	26 585	26 585	26 585	26 585	26 585	26 585	26 585	26 585	26 585	26 585	319 020	354 938	394 351
Vote 11 - PROJECT MANAGEMENT UNIT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	26 585	26 585	26 585	26 585	26 585	26 585	26 585	26 585	26 585	26 585	26 585	26 585	319 020	354 938	394 351

2.21 Table 28 MBRR Table SA30 Budgeted Monthly Cash Flow

DC39 Dr Ruth Segomotsi Mompati - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand															
Cash Receipts By Source													1		
Rental of facilities and equipment	67	67	67	67	67	67	67	67	67	67	67	67	800	864	933
Interest earned - external investments	387	387	387	387	387	387	387	387	387	387	387	387	4 640	4 872	5 116
Transfer receipts - operational	130 180	–	–	–	94 447	–	–	–	65 000	–	–	(0)	289 627	315 000	340 505
Other revenue	21	21	21	21	21	21	21	21	21	21	21	21	250	283	302
Cash Receipts by Source	130 654	474	474	474	94 921	474	474	474	65 474	474	474	474	295 317	321 019	346 855
Other Cash Flows by Source															
Transfer receipts - capital	160 000	–	–	120 000	–	–	–	–	45 756	–	–	–	325 756	361 938	402 151
Total Cash Receipts by Source	290 654	474	474	120 474	94 921	474	474	474	111 230	474	474	474	621 073	682 957	749 006
Cash Payments by Type															
Employee related costs	8 161	8 161	8 161	8 161	16 322	8 161	8 161	8 161	8 161	8 161	8 161	8 161	106 096	113 429	120 845
Remuneration of councillors	589	589	589	589	589	589	589	589	589	589	589	589	7 068	7 576	8 103
Finance charges	13	13	13	13	13	13	13	13	13	13	13	13	150	161	161
Bulk purchases - Water & Sewer	10 427	10 427	10 427	10 427	10 427	10 427	10 427	10 427	10 427	10 427	10 427	10 427	125 122	133 870	144 456
Other materials	264	264	264	264	264	264	264	264	264	264	264	264	3 169	3 292	3 375
Contracted services	1 261	1 261	1 261	1 261	1 261	1 261	1 261	1 261	1 261	1 261	1 261	1 261	15 137	16 316	17 502
Transfers and grants - other municipalities	1 687	1 687	1 687	1 687	1 687	1 687	1 687	1 687	1 687	1 687	1 687	1 687	20 240	27 178	32 180
Other expenditure	3 720	3 720	3 720	3 720	3 720	3 720	3 720	3 720	3 720	3 720	3 720	3 610	44 526	47 799	51 373
Cash Payments by Type	26 121	26 121	26 121	26 121	34 283	26 121	26 121	26 121	26 121	26 121	26 121	26 011	321 507	349 619	377 994
Other Cash Flows/Payments by Type															
Capital assets	26 585	26 585	26 585	26 585	26 585	26 585	26 585	26 585	26 585	26 585	26 585	26 585	319 020	354 938	394 351
Repayment of borrowing	600	600	600	600	600	600	600	600	600	600	600	600	7 200	7 200	7 200
Total Cash Payments by Type	53 306	53 306	53 306	53 306	61 468	53 306	53 306	53 306	53 306	53 306	53 306	53 196	647 727	711 757	779 545
NET INCREASE/(DECREASE) IN CASH HELD	237 348	(52 832)	(52 832)	67 168	33 454	(52 832)	(52 832)	(52 832)	57 924	(52 832)	(52 832)	(52 722)	(26 654)	(28 801)	(30 538)
Cash/cash equivalents at the month/year begin:	53 722	291 070	238 238	185 405	252 573	286 027	233 195	180 363	127 530	185 454	132 622	79 790	53 722	27 068	(1 733)
Cash/cash equivalents at the month/year end:	291 070	238 238	185 405	252 573	286 027	233 195	180 363	127 530	185 454	132 622	79 790	27 068	27 068	(1 733)	(32 271)

2.22 Table 29 MBRR SA34c Repairs and Maintenance Expenditure by Asset Class

DC39 Dr Ruth Segomotsi Mompati - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		1 735	1 339	5 377	1 570	1 729	1 729	3 169	3 292	3 375
Infrastructure - Other		1 735	1 339	5 377	1 570	1 729	1 729	3 169	3 292	3 375
Other	3	1 735	1 339	5 377	1 570	1 729	1 729	3 169	3 292	3 375
Total Repairs and Maintenance	1	1 735	1 339	5 377	1 570	1 729	1 729	3 169	3 292	3 375

R&M as a % of PPE		0,1%	0,1%	0,3%	0,1%	0,1%	0,1%	0,2%	0,2%	0,2%
R&M as % Operating Expenditure		0,5%	0,3%	1,6%	0,5%	0,4%	0,4%	1,0%	0,9%	0,9%

3.1 Capital Projects: Allocation per Municipality

3.1.1 Table 30 Capital Projects Allocated to Greater Taung Local Municipality

2016/2017 - 2018/2019 CAPITAL PROJECTS ALLOCATION PER MUNICIPALITY - GREATER TAUNG							
Project Description	Municipality	Funding Source	Approved budget 2015/16 R'000	Adjust. Budget 2015/2016 R'000	Indicative budget 2016/17 R'000	Indicative budget 2017/18 R'000	Indicative budget 2018/19
Greater Taung: Bophirima Rural Water Supply Program 2012/16	Greater Taung	MIG	10 000	10 000	-	-	-
Greater Taung: Bophirima Rural Water Supply Program 2016/19 (Kameelpits, Taung Ext 5)	Greater Taung	MIG	-	-	6 300	-	10 000
Greater Taung: Construction of oxidation ponds: Maplankeng (300 hh)	Greater Taung	MIG	500	500	1 000	-	-
Greater Taung: Bophirima Rural Sanitation Programme 2015/2017	Greater Taung	MIG	-	-	-	-	10 000
Greater Taung: Bulk Water Supply Upgrading Taung Phase 2C: Raw Water Gravity Pipe Line from Taung Dam to Pudimoe	Greater Taung	RBIG	289	1 960	3 028	-	-
Greater Taung: Bulk Water Supply Upgrading Taung Phase 2D: Building of new Water Purification Works and Storage	Greater Taung	RBIG	3 955	21 300	21 777	-	-
Greater Taung: Bulk Water Supply Upgrading Taung: Phase 2E - Bulk water supply	Greater Taung	RBIG	3 000	3 000	20 000	30 000	32 000
Greater Taung: Bulk Water Supply Upgrading Taung: Phase 2E -Bulk distribution	Greater Taung	RBIG	3 000	3 000	15 298	22 324	67 378
Greater Taung LM: RHIG Programme	Greater Taung	RHIG	4 500	4 500	-	-	-
Greater Taung: Bulk water supply to Choseng, Matlhapaneng & Mase: Phase1	Greater Taung	WSOG	-	3 000	-	-	-
Greater Taung: Bulk water supply to Choseng, Matlhapaneng & Mase: Phase 2	Greater Taung	WSOG	10 500	16 000	-	-	-
Greater Taung: Bulk water supply to Madipelesa & Shaleng	Greater Taung	WSOG	-	-	7 000	-	-
Greater Taung: Rural sanitation	Greater Taung	WSOG	-	-	10 000	30 000	30 000
Greater Taung: DWA Refurbishment Grant 2013/16	Greater Taung	WSOG	4 937	4 937	-	-	-
TOTAL ALLOCATION TO GREATER TAUNG LM			40 681	68 197	84 403	82 324	149 378

3.1.2 Table 31 Capital Projects and Transfers Allocated to Kagisano Molopo Local Municipality

2016/2017 - 2018/2019 CAPITAL PROJECTS ALLOCATION PER MUNICIPALITY - KAGISANO MOLOPO LOCAL MUNICIPALITY						
Project Description	Funding Source	Approved budget 2015/16 R'000	Adjust. Budget 2015/2016 R'000	Indicative budget 2016/17 R'000	Indicative budget 2017/18 R'000	Indicative budget 2018/19 R'000
Kagisano Molopo: Upgrading of Bray Sewer pump Station	ACIP	1 462	-	-	-	-
Kagisano Molopo: Bophirima Rural Water Supply Program 2012/15	MIG	14 000	14 000	-	-	-
Kagisano Molopo: Bophirima Rural Water Supply Program 2016/18	MIG	-	-	-	-	10 000
Kagisano Molopo: Construction of Oxidation Ponds: Bray	MIG	-	5 207	7 550	-	-
Kagisano Molopo: Construction of Oxidation Ponds: Pomfret	MIG	9 142	-	-	-	-
Kagisano Molopo: Construction of Oxidation Ponds: Ganyesa	MIG	4 500	6 000	4 000	-	-
Kagisano Molopo: Construction of Oxidation Ponds: Morokweng	MIG	5 000	1 500	5 500	-	-
Kagisano Molopo: Construction of Oxidation Ponds: Piet Plessis	MIG	-	1 500	4 850	-	-
Kagisano Molopo: Construction of Oxidation Ponds: Tlakgameng	MIG	1 500	3 000	7 050	-	-
Kagisano Molopo: Bophirima Rural Sanitation Programme 2015/18	MIG	-	3 000	-	-	-
Kagisano Molopo: Rehabilitation of Internal Roads	OPINC	4 000	4 000	-	2 000	5 000
Kagisano Molopo: Bulk Water Feasibility Study (Tlapeng to Eksdale Cluster)	RBIG	8 700	18 000	9 000	9 721	30 000
Kagisano Molopo: Upgrading Bulk water to Pomfret: Phase 1	WSOG	-	5 900	-	-	-
Kagisano Molopo: Upgrading Bulk water to Pomfret: Phase 2	WSOG	-	-	5 500	-	-
Kagisano Molopo: Upgrading Bulk water to Bona Bona, Kagiso, Kagisanyane & Maphuti	WSOG	-	-	10 000	-	-
Kagisano Molopo: Rural sanitation	WSOG	-	-	10 000	30 000	30 000
Kagisano Molopo: DWA Refurbishment Grant 2013/15	WSOG	4 800	4 800	-	-	-
TOTAL TO KAGISANO MOLOPO LM		53 104	66 907	63 450	41 721	75 000

3.1.3 Table 32 Capital Projects and Transfers Allocated to Lekwa Teemane Local Municipality

2016/2017 - 2018/2019 CAPITAL PROJECTS ALLOCATION PER MUNICIPALITY - LEKWA TEEMANE LOCAL MUNICIPALITY							
Project Description	Municipality	Funding Source	Approved budget 2015/16 R'000	Adjust. Budget 2015/2016 R'000	Indicative Budget 2016/17 R'000	Indicative budget 2017/18 R'000	Indicative budget 2018/19
Lekwa Teemane: Upgrading of Sewer Treatment works in Bloemhof (vandalised portion) Phase 1	Lekwa Teemane	ACIP	3 500	3 500	-	-	-
Lekwa Teemane: Rehabilitation of Raw Water Abstraction and Irrigation Channels in Christiana: Phase 1	Lekwa Teemane	MIG	8 114	8 114	-	-	-
Lekwa Teemane: Rehabilitation of Raw Water Abstraction and Irrigation Channels in Christiana: Phase 2	Lekwa Teemane	MIG	-	8 000	15 950	10 000	-
Lekwa-Teemane: Bulk Water Services for Geluksoord Ext 2 and 3 & 4: Phase 1	Lekwa Teemane	MIG	20 900		2 950	-	-
Lekwa-Teemane: Bulk Water Services for Geluksoord Ext 2 and 3 & 4: Phase 2	Lekwa Teemane	MIG	-	18 460	14 181	37 050	-
Lekwa Teemane: Water Reticulation Bloemhof Ext 10	Lekwa Teemane	MIG	2 400	-	-	-	-
Lekwa Teemane: Boitumelong Outfall Sewer and Pumpstation	Lekwa Teemane	MIG	4 860	5 000	-	-	-
Lekwa Teemane: Upgrading of Sewer pumpstation and the Main Outfall line in Christiana	Lekwa Teemane	MIG	7 400	7 400	-	-	-
Lekwa Teemane: Water Conservation and Demand Management	Lekwa Teemane	RBIG	6 000	-	-	-	-
Lekwa Teemane: Upgrading of the WTW in Christiana	Lekwa Teemane	WSOG	6 000	-	6 200	30 000	41 557
TOTAL LEKWA TEEMANE LM			59 174	50 474	39 281	77 050	41 557

3.1.4 Table 33 Capital Projects and Transfers Allocated to Mamusa Local Municipality

2016/2017 - 2018/2019 CAPITAL PROJECTS ALLOCATION PER MUNICIPALITY - MAMUSA LOCAL MUNICIPALITY						
Project Description	Funding Source	Approved budget 2015/16	Adjust. Budget 2015/2016	Indicative budget 2016/17	Indicative budget 2017/18	Indicative budget 2018/19
Mamusa WCDM	ACIP	1 589	-	-	-	-
Mamusa LM: Augmentation of Bulk Water Supply to Ipelegeng Ext 4 and 5	MIG	6 907	8 658	-	-	-
Mamusa LM: Internal Water and Sanitation Services Ipelegeng Ext 8 (Mareesin farm 2500 HH)	MIG	500	-	-	-	-
Mamusa LM: Upgrading of Internal water supply to Migdol	MIG	-	-	-	-	4 050
Mamusa LM: Upgrading of Internal water supply to Glaufina	MIG	-	-	-	-	4 050
Mamusa LM: Upgrading of Internal water supply to Aandster	MIG	-	-	-	-	750
Mamusa LM: Upgrading of Internal water supply to Nooightgedagt	MIG	-	-	-	-	375
Mamusa LM: Construction of Oxidation Ponds: Glaufina	MIG	-	1 000	4 500	1 000	-
Mamusa LM: Construction of Oxidation Ponds: Migdol	MIG	-	1 000	-	6 750	-
Mamusa LM: Ipelegeng Sewer rehabilitation - Ext 4 & 5	MIG	9 853	12 867	4 150	-	-
Mamusa: Bulk Water Supply to the Greater Mamusa Area: New bulk water supply from Bloemhof to Schweizer Reneke	RBIG	12 500	3 438	522	24 813	10 244
Mamusa: Water Conservation and Demand Management	RBIG	6 000	-	-	-	-
Mamusa: Upgrading of Groundwater supply system in Schweizer Reneke & Ipelegeng: Phase 1	WSOG	5 100	5 100	-	-	-
Mamusa: Upgrading of Groundwater supply system in Schweizer Reneke & Ipelegeng: Phase 2	WSOG	-	-	7 000	-	-
Mamusa: Refurbishment of the WWTW in Schweizer Reneke	WSOG	-	-	4 000	-	-
Mamusa: Refurbishment of the WTW in Schweizer Reneke	WSOG	-	-	4 000	-	-
Lekwa Teemane: Bulk Water Supply to the Greater Mamusa Area: Refurbishment of Water Works in Bloemhof	RBIG	637	637	5 291	-	-
Mamusa & Lekwa Teemane: Bulk Water Supply to the Greater Mamusa Area: New raw water abstraction works in Bloemhof	RBIG	3 069	4 023	14 188	-	-
Mamusa: Bulk Water Supply to the Greater Mamusa Area: New 12 ML/Day Module at Water Treatment works	RBIG	3 011	6 580	20 000	30 000	85 756
TOTAL TO MAMUSA LM		49 166	43 303	63 651	62 563	105 225

3.1.5 Table 34 Capital Projects and Transfers Allocated to Naledi Local Municipality

2016/2017 - 2018/2019 CAPITAL PROJECTS ALLOCATION PER MUNICIPALITY - NALEDI LOCAL MUNICIPALITY						
Project Description	Funding Source	Approved budget 2015/16 R'000	Adjust. Budget 2015/2016 R'000	Indicative budget 2016/17 R'000	Indicative budget 2017/18 R'000	Indicative budget 2018/19 R'000
Naledi: Rehabilitation of Eastern sewer pump station	ACIP	1 672	1 672	-	-	-
Naledi: Refurbishment of Drying beds at existing sewer works	ACIP	2 050	2 050	-	-	-
Naledi: Rehabilitation of Stella sewer pump station	ACIP	-	1 685	-	-	-
Naledi: Water Conservation and Demand Management: Phase 1	ACIP	2 215	2 215	-	-	-
Naledi: Vryburg - New Waste Water Treatment Plant: Phase 1	MIG	30 000	20 000	45 000	76 826	94 848
Naledi: Building of New Oxidation ponds outfall Sewer for Stella and Rekgarathile	MIG	1 000	500	5 000	4 000	-
Naledi: Satellite Office in Stella for Naledi local Municipality	OPINC	4 500	2 000	-	-	-
Naledi: Upgrading of Pudimoe and Vryburg Water Purification Works - Phase 2A	RBIG	-	4 284	-	-	-
Naledi: Bulk Water Supply Upgrading to Vryburg and Huhudi Phase 2B:	RBIG	17 438	72 965	4 237	-	-
Naledi: Upgrading of groundwater supply system in Vryburg	WSOG	8 400	-	8 000	12 000	10 000
Naledi: Upgrading of groundwater supply system in Stella	WSOG	-	-	6 000	-	-
TOTAL TO NALEDI LM		67 275	107 371	68 237	92 826	104 848



Municipal Manager's Quality Certificate

DR RUTH S. MOMPATI DISTRICT MUNICIPALITY

MUNICIPAL MANAGER'S QUALITY CERTIFICATE

I **ZEBO EDWIN LESEGO TSHETLHO**, Municipal Manager of Dr Ruth S Mompoti District Municipality, hereby certify that this Adjustment Budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the 2016/2017 Operating And Capital Budget and the MTREF and supporting documents are consistent with the Integrated Development Plan of the Municipality.

Print Name: **ZEBO EDWIN LESEGO TSHETLHO**

Municipal Manager of Dr Ruth S Mompoti District Municipality

Signature: _____

Date: 14 April 2016